

Exhibit 841

PLAINTIFFS' OMNIBUS OPPOSITION TO DEFENDANTS' MOTIONS FOR SUMMARY JUDGMENT

Case No.: 4:22-md-03047-YGR

MDL No. 3047

In Re: Social Media Adolescent Addiction/Personal Injury Products Liability Litigation

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-38017

SNAP INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organizations)

45-5452795

(I.R.S. Employer Identification Number)

3000 31st Street

Santa Monica, California 90405

(Address of principal executive offices, including zip code)

(310) 399-3339

(Registrant's telephone, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.00001 per share	SNAP	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 (Exchange Act) during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

- ☒ Large accelerated filer
- ☐ Accelerated filer
- ☐ Non-accelerated filer
- ☐ Smaller reporting company
- ☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Number of Shares Outstanding
Class A common stock, \$0.00001 par value	1,417,027,866 shares outstanding as of April 25, 2025
Class B common stock, \$0.00001 par value	22,523,290 shares outstanding as of April 25, 2025
Class C common stock, \$0.00001 par value	231,626,943 shares outstanding as of April 25, 2025

TABLE OF CONTENTS

	Page
Note Regarding Forward-Looking Statements	3
Note Regarding User Metrics and Other Data	5
<u>PART I - FINANCIAL INFORMATION</u>	
Item 1. Financial Statements	6
Consolidated Statements of Cash Flows	6
Consolidated Statements of Operations	7
Consolidated Statements of Comprehensive Income (Loss)	8
Consolidated Balance Sheets	9
Consolidated Statements of Stockholders' Equity	10
Notes to Consolidated Financial Statements	11
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	27
Item 3. Quantitative and Qualitative Disclosures About Market Risk	43
Item 4. Controls and Procedures	44
<u>PART II - OTHER INFORMATION</u>	
Item 1. Legal Proceedings	45
Item 1A. Risk Factors	46
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	88
Item 3. Defaults Upon Senior Securities	88
Item 4. Mine Safety Disclosures	88
Item 5. Other Information	88
Item 6. Exhibits	89
Signatures	90

Snap Inc., "Snapchat," and our other registered and common-law trade names, trademarks, and service marks appearing in this Quarterly Report on Form 10-Q are the property of Snap Inc. or our subsidiaries.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this report, including statements regarding guidance, our future results of operations or financial condition, our future stock repurchase programs or stock dividends, business strategy and plans, user growth and engagement, product initiatives, objectives of management for future operations, and advertiser and partner offerings, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “going to,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would” or the negative of these words or other similar terms or expressions. We caution you that the foregoing may not include all of the forward-looking statements made in this report.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends, including our financial outlook, macroeconomic uncertainty, and geo-political events and conflicts, that we believe may continue to affect our business, financial condition, results of operations, and prospects. These forward-looking statements are subject to risks, uncertainties, and other factors described in “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q, including among other things:

- our financial performance, including our revenues, cost of revenues, operating expenses, and our ability to attain and sustain profitability;
- our ability to generate and sustain positive cash flow;
- our ability to attract and retain users and partners;
- our ability to attract and retain advertisers;
- our ability to compete effectively with existing competitors and new market entrants;
- our ability to effectively manage our growth and future expenses;
- our ability to comply with modified or new laws, regulations, and executive actions applying to our business;
- our ability to maintain, protect, and enhance our intellectual property;
- our ability to successfully expand in our existing market segments and penetrate new market segments;
- our ability to attract and retain qualified team members and key personnel;
- our ability to repay or refinance outstanding debt, or to access additional financing;
- future acquisitions of or investments in complementary companies, products, services, or technologies; and
- the potential adverse impact of climate change, natural disasters, health epidemics, macroeconomic conditions, and war or other armed conflict on our business, operations, and the markets and communities in which we and our partners, advertisers, and users operate.

Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. And while we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this

report to reflect events or circumstances after the date of this report or to reflect new information or the occurrence of unanticipated events, including future developments related to geo-political events and conflicts and macroeconomic conditions, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, dispositions, joint ventures, restructurings, legal settlements, or investments.

Investors and others should note that we may announce material business and financial information to our investors using our websites (including investor.snap.com), filings with the U.S. Securities and Exchange Commission, or SEC, webcasts, press releases, investor letters, and conference calls. We use these mediums, including Snapchat and our website, to communicate with our members and the public about our company, our products, and other issues. It is possible that the information that we make available may be deemed to be material information. We therefore encourage investors and others interested in our company to review the information that we make available on our websites.

NOTE REGARDING USER METRICS AND OTHER DATA

We define a Daily Active User, or DAU, as a registered and logged-in Snapchat user who visits Snapchat through our applications or websites at least once during a defined 24-hour period. We calculate average DAUs for a particular quarter by adding the number of DAUs on each day of that quarter and dividing that sum by the number of days in that quarter. DAUs are broken out by geography because markets have different characteristics. We define average revenue per user, or ARPU, as quarterly revenue divided by the average DAUs. For purposes of calculating ARPU, revenue by user geography is apportioned to each region based on our determination of the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity. This allocation differs from our components of revenue disclosure in the notes to our consolidated financial statements, where revenue is based on the billing address of the advertising customer. For information concerning these metrics as measured by us, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Unless otherwise stated, statistical information regarding our users and their activities is determined by calculating the daily average of the selected activity for the most recently completed quarter included in this report.

While these metrics are determined based on what we believe to be reasonable estimates of our user base for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations globally. For example, there may be individuals who attempt to create accounts for malicious purposes, including at scale, even though we forbid that in our Terms of Service and Community Guidelines. We implement measures in our user registration process and through other technical measures to prevent, detect, and suppress that behavior, although we have not determined the number of such accounts.

Changes in our products, infrastructure, mobile operating systems, or metric tracking system, or the introduction of new products, may impact our ability to accurately determine active users or other metrics and we may not determine such inaccuracies promptly. We also believe that we don’t capture all data regarding each of our active users. Technical issues may result in data not being recorded from every user’s application. For example, because some Snapchat features can be used without internet connectivity, we may not count a DAU because we don’t receive timely notice that a user has opened the Snapchat application. This undercounting may increase as we grow in Rest of World markets where users may have poor connectivity. We do not adjust our reported metrics to reflect this underreporting. We believe that we have adequate controls to collect user metrics, however, there is no uniform industry standard. We continually seek to identify these technical issues and improve both our accuracy and precision, including ensuring that our investors and others can understand the factors impacting our business, but these technical issues and new issues may continue in the future, including if there continues to be no uniform industry standard.

Some of our demographic data may be incomplete or inaccurate. For example, because users self-report their dates of birth, our age-demographic data may differ from our users’ actual ages. And because users who signed up for Snapchat before June 2013 were not asked to supply their date of birth, we may exclude those users from our age demographics or estimate their ages based on a sample of the self-reported ages that we do have. If our active users provide us with incorrect or incomplete information regarding their age or other attributes, then our estimates may prove inaccurate and fail to meet investor expectations.

We count a DAU only when a user visits Snapchat through our applications or websites and only once per user per day. We believe this methodology more accurately measures our user engagement. We have multiple pipelines of user data that we use to determine whether a user has visited Snapchat through our applications or websites during a particular day. This provides redundancy in the event one pipeline of data were to become unavailable for technical reasons, and also gives us redundant data to help measure how users interact with our application.

If we fail to maintain an effective analytics platform, our metrics calculations may be inaccurate. We regularly review, have adjusted in the past, and are likely in the future to adjust our processes for calculating our internal metrics to improve their accuracy. For example, in the first quarter of 2025, we refined our processes and controls in recording user activity to allow us to more accurately count DAUs that would not otherwise be counted during such period due to delays in receiving user metric information resulting from carrier or other user connectivity issues during the measurement period. While these refinements improve both our accuracy and precision in counting DAUs, they resulted in less than a 1% increase in our DAUs in the first quarter of 2025 and would have resulted in similarly immaterial changes in our DAUs for all periods in 2024, and which increase was primarily concentrated in Rest of World due to the greater prevalence of network connectivity delays in this region. Any such adjustments would have a commensurate immaterial impact on our calculations of ARPU for such periods. As a result of such adjustments, our DAUs, ARPU, or other metrics may not be directly comparable to those in prior periods. Our measures of DAUs may differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology or data used.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Snap Inc.
Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities		
Net loss	\$ (139,587)	\$ (305,090)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	37,715	41,713
Stock-based compensation	247,338	263,752
Amortization of debt issuance costs and debt discount (premium)	7,642	1,742
Losses (gains) on debt and equity securities, net	15,800	8,968
Gain on extinguishment of debt	(66,939)	(8,850)
Other	(805)	(7,762)
Change in operating assets and liabilities, net of effect of acquisitions:		
Accounts receivable, net of allowance	194,216	162,207
Prepaid expenses and other current assets	(22,828)	(13,629)
Operating lease right-of-use assets	14,123	13,575
Other assets	9,010	(5,142)
Accounts payable	34,260	(34,089)
Accrued expenses and other current liabilities	(162,568)	(18,381)
Operating lease liabilities	(16,993)	(13,930)
Other liabilities	1,226	3,268
Net cash provided by (used in) operating activities	151,610	88,352
Cash flows from investing activities		
Purchases of property and equipment	(37,214)	(50,448)
Purchases of marketable securities	(235,799)	(465,672)
Sales of marketable securities	12,001	—
Maturities of marketable securities	263,766	384,928
Other	—	9
Net cash provided by (used in) investing activities	2,754	(131,183)
Cash flows from financing activities		
Proceeds from issuance of notes, net of issuance costs	1,473,083	—
Proceeds from the exercise of stock options	—	69
Repurchases of Class A non-voting common stock	(257,100)	(235,114)
Deferred payments for acquisitions	(57,977)	—
Repurchases of convertible notes	(1,444,626)	(440,706)
Other	(1,899)	—
Net cash provided by (used in) financing activities	(288,519)	(675,751)
Change in cash, cash equivalents, and restricted cash	(134,155)	(718,582)
Cash, cash equivalents, and restricted cash, beginning of period	1,050,234	1,782,462
Cash, cash equivalents, and restricted cash, end of period	\$ 916,079	\$ 1,063,880

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Operations
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2025	2024
Revenue	\$ 1,363,217	\$ 1,194,773
Costs and expenses:		
Cost of revenue	639,579	574,749
Research and development	424,165	449,759
Sales and marketing	257,957	276,034
General and administrative	235,362	227,463
Total costs and expenses	1,557,063	1,528,005
Operating loss	(193,846)	(333,232)
Interest income	37,018	39,898
Interest expense	(23,399)	(4,743)
Other income (expense), net	49,069	(81)
Loss before income taxes	(131,158)	(298,158)
Income tax benefit (expense)	(8,429)	(6,932)
Net loss	\$ (139,587)	\$ (305,090)
Net loss per share attributable to Class A, Class B, and Class C common stockholders (Note 3):		
Basic	\$ (0.08)	\$ (0.19)
Diluted	\$ (0.08)	\$ (0.19)
Weighted average shares used in computation of net loss per share:		
Basic	1,696,353	1,647,387
Diluted	1,696,353	1,647,387

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Comprehensive Income (Loss)
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2025	2024
Net loss	\$ (139,587)	\$ (305,090)
Other comprehensive income (loss), net of tax		
Unrealized gain (loss) on marketable securities, net of tax	3,447	(3,604)
Foreign currency translation	6,476	(2,777)
Total other comprehensive income (loss), net of tax	9,923	(6,381)
Total comprehensive loss	<u>\$ (129,664)</u>	<u>\$ (311,471)</u>

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Balance Sheets
(in thousands, except par value)

	March 31, 2025 (unaudited)	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 911,227	\$ 1,046,534
Marketable securities	2,295,663	2,329,745
Accounts receivable, net of allowance	1,157,615	1,348,472
Prepaid expenses and other current assets	212,532	182,006
Total current assets	4,577,037	4,906,757
Property and equipment, net	501,353	489,088
Operating lease right-of-use assets	528,270	530,441
Intangible assets, net	74,822	86,363
Goodwill	1,691,870	1,689,785
Other assets	215,848	233,914
Total assets	<u>\$ 7,589,200</u>	<u>\$ 7,936,348</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 209,445	\$ 173,197
Operating lease liabilities	22,501	24,885
Accrued expenses and other current liabilities	796,258	1,009,254
Short-term debt, net	36,233	36,212
Total current liabilities	1,064,437	1,243,548
Long-term debt, net	3,576,692	3,607,717
Operating lease liabilities, noncurrent	575,427	575,082
Other liabilities	61,309	59,240
Total liabilities	<u>5,277,865</u>	<u>5,485,587</u>
Commitments and contingencies (Note 7)		
Stockholders' equity		
Class A non-voting common stock, \$0.00001 par value. 3,000,000 shares authorized, 1,478,508 shares issued, 1,432,528 shares outstanding at March 31, 2025, and 3,000,000 shares authorized, 1,483,718 shares issued, 1,436,495 shares outstanding at December 31, 2024.	14	14
Class B voting common stock, \$0.00001 par value. 700,000 shares authorized, 22,523 shares issued and outstanding at March 31, 2025 and December 31, 2024.	—	—
Class C voting common stock, \$0.00001 par value. 260,888 shares authorized, 231,627 shares issued and outstanding at March 31, 2025 and December 31, 2024.	2	2
Treasury stock, at cost. 45,980 and 47,222 shares of Class A non-voting common stock at March 31, 2025 and December 31, 2024, respectively.	(448,509)	(460,620)
Additional paid-in capital	15,879,359	15,644,132
Accumulated deficit	(13,132,148)	(12,735,461)
Accumulated other comprehensive income (loss)	12,617	2,694
Total stockholders' equity	2,311,335	2,450,761
Total liabilities and stockholders' equity	<u>\$ 7,589,200</u>	<u>\$ 7,936,348</u>

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Stockholders' Equity
(in thousands)
(unaudited)

	Three Months Ended March 31,			
	2025		2024	
	Shares	Amount	Shares	Amount
Class A non-voting common stock				
Balance, beginning of period	1,436,495	\$ 14	1,391,341	\$ 14
Shares issued in connection with exercise of stock options under stock-based compensation plans	—	—	5	—
Issuance of Class A non-voting common stock for vesting of restricted stock units and restricted stock awards, net	22,110	—	18,232	—
Repurchases of Class A non-voting common stock	(27,319)	—	(21,020)	—
Reissuances of Class A non-voting common stock for vesting of restricted stock units	1,242	—	407	—
Balance, end of period	1,432,528	14	1,388,965	14
Class B voting common stock				
Balance, beginning of period	22,523	—	22,528	—
Balance, end of period	22,523	—	22,528	—
Class C voting common stock				
Balance, beginning of period	231,627	2	231,627	2
Balance, end of period	231,627	2	231,627	2
Treasury stock				
Balance, beginning of period	47,222	(460,620)	49,200	(479,903)
Repurchases of Class A non-voting common stock	27,319	(257,100)	21,020	(235,114)
Retirement of Class A non-voting common stock	(27,319)	257,100	(21,020)	235,114
Reissuances of Class A non-voting common stock for vesting of restricted stock units	(1,242)	12,111	(407)	3,964
Balance, end of period	45,980	(448,509)	48,793	(475,939)
Additional paid-in capital				
Balance, beginning of period	—	15,644,132	—	14,613,404
Stock-based compensation expense	—	247,338	—	263,752
Shares issued in connection with exercise of stock options under stock-based compensation plans	—	—	—	68
Reissuances of Class A non-voting common stock for vesting of restricted stock units	—	(12,111)	—	(3,963)
Balance, end of period	—	15,879,359	—	14,873,261
Accumulated deficit				
Balance, beginning of period	—	(12,735,461)	—	(11,726,536)
Net loss	—	(139,587)	—	(305,090)
Retirement of Class A non-voting common stock	—	(257,100)	—	(235,114)
Balance, end of period	—	(13,132,148)	—	(12,266,740)
Accumulated other comprehensive income (loss)				
Balance, beginning of period	—	2,694	—	7,131
Other comprehensive income (loss), net of tax	—	9,923	—	(6,381)
Balance, end of period	—	12,617	—	750
Total stockholders' equity	1,732,658	\$ 2,311,335	1,691,913	\$ 2,131,348

See Notes to Consolidated Financial Statements.

Snap Inc.
Notes to Consolidated Financial Statements

1. Description of Business and Summary of Significant Accounting Policies

Snap Inc. is a technology company.

Snap Inc. (“we,” “our,” or “us”), a Delaware corporation, is headquartered in Santa Monica, California. Our flagship product, Snapchat, is a visual messaging application that was created to help people communicate through short videos and images called “Snaps.”

Basis of Presentation

The accompanying unaudited consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information. Our consolidated financial statements include the accounts of Snap Inc. and our wholly owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation. Our fiscal year ends on December 31. Certain reclassifications have been made in the prior periods to conform to the current year’s presentation. None of these reclassifications had a material impact on our consolidated financial statements. These unaudited interim consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the Securities and Exchange Commission (the “SEC”) in February 2025 (the “Annual Report”).

In our opinion, the unaudited interim consolidated financial statements include all adjustments of a normal recurring nature necessary for the fair presentation of our financial position, results of operations, and cash flows. The results of operations for the three months ended March 31, 2025 are not necessarily indicative of the results to be expected for the year ending December 31, 2025.

There have been no changes to our significant accounting policies described in our Annual Report that have had a material impact on our consolidated financial statements and related notes.

Use of Estimates

The preparation of our consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements. Management’s estimates are based on historical information available as of the date of the consolidated financial statements and various other assumptions that we believe are reasonable under the circumstances. Actual results could differ from those estimates.

Key estimates relate primarily to determining the fair value of assets and liabilities assumed in business combinations, evaluation of contingencies, uncertain tax positions, and the fair value of strategic investments. On an ongoing basis, management evaluates our estimates compared to historical experience and trends, which form the basis for making judgments about the carrying value of assets and liabilities.

Future Stock Split to be Effected in the Form of a Stock Dividend

In July 2022, our board of directors determined that it was advisable and in our best interest to approve a stock split to be effected in the form of a special dividend of one share of Class A common stock on each outstanding share of our common stock at a future date (the “Future Stock Split”). In connection with the Future Stock Split, we entered into certain agreements (the “Co-Founder Agreements”) with Evan Spiegel and Robert Murphy, our co-founders, and certain of their respective affiliates requiring them, among other things, to convert shares of Class B common stock and Class C common stock into Class A common stock under certain circumstances. In May 2024, the conditions for the declaration of such dividends were modified and the Co-Founder Agreements were amended to reflect such modifications. As modified, the Future Stock Split will not be declared and paid until the first business day following the date on which (i) the average of the volume weighted average price (the “VWAP”) per share of Class A common stock equals or exceeds \$40 per share for 90 consecutive trading days (the “90-Day VWAP”) and (ii) the ratio of the 90-Day VWAP to \$8.70 equals or exceeds the ratio of the average closing price of the S&P 500 Total Return index for the same 90 trading days for which the 90-Day VWAP was calculated to 8,862.85. If this does not occur by July 21, 2032, the Future Stock Split will not be declared and paid, and the Co-Founder Agreements will terminate.

No adjustments have been made to share or per share amounts for Class A common stock in the accompanying consolidated financial statements for the effects of the Future Stock Split as these triggering conditions have not been met.

2. Revenue

We determine revenue recognition by first identifying the contract or contracts with a customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract, and recognizing revenue when we satisfy a performance obligation.

Revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to receive in exchange for those goods or services. We determine collectability by performing ongoing credit evaluations and monitoring customer accounts receivable balances. Sales tax, including value added tax, is excluded from reported revenue.

In arrangements where another party is involved in providing specified services to a customer, we evaluate whether we are the principal or agent. In this evaluation, we consider if we obtain control of the specified goods or services before they are transferred to the customer, as well as other indicators such as the party primarily responsible for fulfillment, inventory risk, and discretion in establishing price.

Advertising Revenue

We generate the majority of our revenue through the sale of our advertising products on Snapchat, which include Snap Ads and AR Ads, referred to as advertising revenue. AR Ads include Sponsored Lenses, which allow users to interact with an advertiser's brand by enabling branded augmented reality experiences.

The substantial majority of advertising revenue is generated from the display of advertisements on Snapchat through contractual agreements that are either based on the number of advertising impressions delivered or on a fixed fee basis over a period of time. Revenue related to agreements based on the number of impressions delivered is recognized when the advertisement is served. Revenue related to fixed fee arrangements is recognized ratably over the service period, typically less than 30 days in duration, and such arrangements do not contain minimum impression guarantees.

For advertising revenue arrangements where we are not the principal, we recognize revenue on a net basis. For the periods presented, revenue for arrangements where we are the agent was not material.

Other Revenue

Other revenue primarily consists of revenue from Snapchat+, our subscription product that provides subscribers access to exclusive, experimental, and pre-release features. Subscription revenue is initially deferred and then recognized ratably over the term of the subscription, which is generally one year or less. We report subscription revenue gross of transaction processing fees, which are recognized within cost of revenue on our consolidated statements of operations.

We also generate revenue from subscriptions and sales of hardware products. Sales of hardware products are reported net of allowances for returns. For the periods presented, all such revenue was not material.

The following table represents our revenue disaggregated by source:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Advertising revenue	\$ 1,210,869	\$ 1,107,854
Other revenue	152,348	86,919
Total revenue	<u>\$ 1,363,217</u>	<u>\$ 1,194,773</u>

The following table represents our revenue disaggregated by geography based on the billing address of the customer:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
North America ^{(1) (2)}	\$ 804,934	\$ 733,388
Europe ⁽³⁾	223,257	200,092
Rest of World	335,026	261,293
Total revenue	\$ 1,363,217	\$ 1,194,773

(1) North America includes Mexico, the Caribbean, and Central America.

(2) United States revenue was \$778.9 million and \$710.8 million for the three months ended March 31, 2025 and 2024, respectively.

(3) Europe includes Russia and Turkey. Effective March 2022, we halted advertising sales to Russian and Belarusian entities.

Deferred revenue related to advertising and subscriptions, included in accrued expenses and other current liabilities on our consolidated balance sheets, was \$132.0 million and \$112.8 million as of March 31, 2025 and December 31, 2024, respectively. We expect a substantial majority of our deferred revenue to be realized in less than one year.

3. Net Loss per Share

We compute net loss per share using the two-class method required for multiple classes of common stock. We have three classes of authorized common stock for which voting rights differ by class.

Basic net loss per share is computed by dividing net loss attributable to each class of stockholders by the weighted-average number of shares of stock outstanding during the period, adjusted for restricted stock awards (“RSAs”) for which the risk of forfeiture has not yet lapsed.

For the calculation of diluted net loss per share, net loss per share attributable to common stockholders for basic net loss per share is adjusted by the effect of dilutive securities, including awards under our equity compensation plans. Diluted net loss per share attributable to common stockholders is computed by dividing the resulting net loss attributable to common stockholders by the weighted-average number of fully diluted common shares outstanding. We use the if-converted method for calculating any potential dilutive effect of the convertible senior notes due in 2025, 2026, 2027, 2028, and 2030 (collectively, the “Convertible Notes”) on diluted net loss per share. The Convertible Notes would have a dilutive impact on net income per share when the average market price of Class A common stock for a given period exceeds the respective conversion price of the Convertible Notes. For the periods presented, our potentially dilutive shares relating to stock options, restricted stock units (“RSUs”), RSAs, and the Convertible Notes were not included in the computation of diluted net loss per share as the effect of including these shares in the calculation would have been anti-dilutive.

The numerators and denominators of the basic and diluted net loss per share computations for our common stock are calculated as follows:

	Three Months Ended March 31,					
	2025			2024		
	(in thousands, except per share data)					
	Class A	Class B	Class C	Class A	Class B	Class C
Numerator:						
Net loss	\$ (118,674)	\$ (1,853)	\$ (19,060)	\$ (258,022)	\$ (4,172)	\$ (42,896)
Net loss attributable to common stockholders	<u>\$ (118,674)</u>	<u>\$ (1,853)</u>	<u>\$ (19,060)</u>	<u>\$ (258,022)</u>	<u>\$ (4,172)</u>	<u>\$ (42,896)</u>
Denominator:						
Basic shares:						
Weighted-average common shares - Basic	1,442,203	22,523	231,627	1,393,232	22,528	231,627
Diluted shares:						
Weighted-average common shares - Diluted	1,442,203	22,523	231,627	1,393,232	22,528	231,627
Net loss per share attributable to common stockholders:						
Basic	\$ (0.08)	\$ (0.08)	\$ (0.08)	\$ (0.19)	\$ (0.19)	\$ (0.19)
Diluted	\$ (0.08)	\$ (0.08)	\$ (0.08)	\$ (0.19)	\$ (0.19)	\$ (0.19)

The following potentially dilutive shares were excluded from the calculation of diluted net loss per share because their effect would have been anti-dilutive:

	As of March 31,	
	2025	2024
	(in thousands)	
Stock options	665	1,580
Unvested RSUs and RSAs	135,269	145,364
Convertible Notes (if-converted)	60,825	69,368

4. Stockholders' Equity

We maintain one active share-based employee compensation plan: the 2017 Equity Incentive Plan (the "2017 Plan"). The 2017 Plan provides for the grant of incentive stock options to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options, stock appreciation rights, RSAs, RSUs, performance stock awards, performance cash awards, and other forms of stock awards to employees, directors, and consultants, including employees and consultants of our affiliates.

Restricted Stock Units and Restricted Stock Awards

The following table summarizes the RSU and RSA activity for the three months ended March 31, 2025:

	Number of Class A Shares	Weighted-Average Grant Date Fair Value
	(in thousands, except per share data)	
Unvested at December 31, 2024	134,253	\$ 11.90
Granted	32,030	\$ 10.77
Vested	(23,360)	\$ 11.93
Forfeited	(7,654)	\$ 11.20
Unvested at March 31, 2025	<u>135,269</u>	<u>\$ 11.66</u>

All RSUs and RSAs vest on the satisfaction of a service-based condition. Total unrecognized compensation cost related to outstanding RSUs and RSAs was \$1.3 billion as of March 31, 2025 and is expected to be recognized over a weighted-average period of 2.0 years. The service condition for RSUs and RSAs is generally satisfied in equal monthly or quarterly installments over three to four years.

Stock Options

The following table summarizes the stock option award activity for the three months ended March 31, 2025:

	Number of Class A Shares	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value ⁽¹⁾
	(in thousands, except per share data)			
Outstanding at December 31, 2024	680	\$ 16.01	4.51	\$ 253
Granted	—	\$ —	—	—
Exercised	—	\$ —	—	—
Forfeited	(15)	\$ 13.33	—	—
Outstanding at March 31, 2025	665	\$ 16.07	3.97	\$ 133

- (1) The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying stock option awards and the closing market price of our Class A common stock as of March 31, 2025 and December 31, 2024.

As of March 31, 2025, there was no unrecognized compensation cost related to stock options granted under the 2017 Plan.

Stock-Based Compensation Expense

Total stock-based compensation expense by function was as follows:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Cost of revenue	\$ 1,434	\$ 1,815
Research and development	156,688	174,519
Sales and marketing	54,440	54,656
General and administrative	34,776	32,762
Total	\$ 247,338	\$ 263,752

Stock Repurchases

In October 2024, our board of directors authorized a stock repurchase program of up to \$500.0 million of our Class A common stock. For the three months ended March 31, 2025, we repurchased and retired 27.3 million shares of our Class A common stock for \$257.1 million, including costs associated with the repurchases. As of March 31, 2025, the remaining availability under the stock repurchase authorization was \$243.2 million.

In October 2023, our board of directors authorized a stock repurchase program of up to \$500.0 million of our Class A common stock. The program was completed in the second quarter of 2024. During the program, we repurchased and retired a total of 46.3 million shares of our Class A common stock for \$500.5 million, including costs associated with the repurchases, representing the entire amount approved by our board of directors in October 2023.

5. Goodwill and Intangible Assets

The changes in the carrying amount of goodwill for the three months ended March 31, 2025 were as follows:

	Goodwill (in thousands)
Balance as of December 31, 2024	\$ 1,689,785
Goodwill acquired	—
Foreign currency translation	2,085
Balance as of March 31, 2025	<u>\$ 1,691,870</u>

Intangible assets consisted of the following:

	As of March 31, 2025			
	Weighted-Average Remaining Useful Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net
		(in thousands, except years)		
Domain names	1.8	\$ 745	\$ (629)	\$ 116
Technology	2.1	303,734	(244,067)	59,667
Patents	8.9	31,672	(16,633)	15,039
Total intangible assets		<u>\$ 336,151</u>	<u>\$ (261,329)</u>	<u>\$ 74,822</u>

	As of December 31, 2024			
	Weighted-Average Remaining Useful Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net
		(in thousands, except years)		
Domain names	2.0	\$ 745	\$ (613)	\$ 132
Technology	2.3	308,333	(238,189)	70,144
Patents	8.8	39,373	(23,286)	16,087
Other	—	6,000	(6,000)	—
Total intangible assets		<u>\$ 354,451</u>	<u>\$ (268,088)</u>	<u>\$ 86,363</u>

Amortization of intangible assets was \$11.5 million and \$18.6 million for the three months ended March 31, 2025 and 2024, respectively.

As of March 31, 2025, the estimated intangible asset amortization expense for the next five years and thereafter is as follows:

	Estimated Amortization (in thousands)
Remainder of 2025	\$ 29,972
2026	20,299
2027	12,124
2028	4,343
2029	1,335
Thereafter	6,749
Total	<u>\$ 74,822</u>

6. Debt

Senior Notes

2033 Notes

In February 2025, we entered into a purchase agreement with certain counterparties for the sale of \$1.50 billion principal amount of senior notes due in 2033 (the “2033 Notes”) in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act. The 2033 Notes were issued pursuant to an indenture dated February 14, 2025. The proceeds from the issuance of the 2033 Notes, net of \$26.9 million in debt issuance costs, were \$1.47 billion and primarily used for the 2025 Note Repurchases, as discussed below. In connection with the 2025 Note Repurchases, \$6.5 million of the debt issuance costs were expensed in the first quarter of 2025, with the remainder to be amortized to interest expense using the effective interest rate method.

The 2033 Notes are unsecured obligations. Interest is payable in cash semi-annually in arrears beginning on September 1, 2025 at a rate of 6.875% per year. The effective interest rate of the 2033 Notes is 5.81%. The 2033 Notes mature on March 1, 2033 unless repurchased or redeemed in accordance with their terms prior to such date.

We may redeem for cash all or any portion of the 2033 Notes, at our option, at any time prior to March 1, 2028 at a redemption price equal to 100% of the principal amount of the 2033 Notes to be redeemed plus any accrued and unpaid interest and a “make-whole” premium as provided in the indenture. Furthermore, until March 1, 2028, we may redeem up to 40% of the original aggregate principal amount of the 2033 Notes with the net cash proceeds of certain equity offerings at a redemption price of 106.875% of the principal amount of the 2033 Notes to be redeemed plus accrued and unpaid interest. In addition, we may redeem all or any portion of the 2033 Notes at any time on or after March 1, 2028 at the redemption prices set forth in the indenture, plus any accrued and unpaid interest.

The 2033 Notes includes customary terms and covenants, including certain events of default, after which the 2033 Notes may be due and payable immediately. In addition, if we experience certain change of control events, as described in the indenture, we will be required to make an offer to repurchase some or all of the 2033 Notes at a price equal to 101% of the principal amount of the 2033 Notes to be repurchased plus accrued and unpaid interest.

Convertible Notes

2030 Notes

In May 2024, we entered into a purchase agreement for the sale of an aggregate of \$750.0 million principal amount of convertible senior notes due in 2030 (the “2030 Notes”) in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The net proceeds from the issuance of the 2030 Notes were \$671.5 million, net of debt issuance costs and cash used to purchase the capped call transactions (the “2030 Capped Call Transactions”) discussed below. The 2030 Notes are unsecured and unsubordinated obligations.

2028 Notes

In February 2022, we entered into a purchase agreement for the sale of an aggregate of \$1.50 billion principal amount of convertible senior notes due in 2028 (the “2028 Notes”) in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The net proceeds from the issuance of the 2028 Notes were \$1.31 billion, net of debt issuance costs and cash used to purchase the capped call transactions (the “2028 Capped Call Transactions”) discussed below. The 2028 Notes are unsecured and unsubordinated obligations.

2027 Notes

In April 2021, we entered into a purchase agreement for the sale of an aggregate of \$1.15 billion principal amount of convertible senior notes due in 2027 (the “2027 Notes”) in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The net proceeds from the issuance of the 2027 Notes were \$1.05 billion, net of debt issuance costs and cash used to purchase the capped call transactions (the “2027 Capped Call Transactions”) discussed below. The 2027 Notes are unsecured and unsubordinated obligations.

2026 Notes

In August 2019, we entered into a purchase agreement for the sale of an aggregate of \$1.265 billion principal amount of convertible senior notes due in 2026 (the “2026 Notes”) in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The net proceeds from the issuance of the 2026 Notes were \$1.15 billion, net of debt issuance costs and cash used to purchase the capped call transactions (the “2026 Capped Call Transactions”) discussed below. The 2026 Notes are unsecured and unsubordinated obligations.

2025 Notes

In April 2020, we entered into a purchase agreement for the sale of an aggregate of \$1.0 billion principal amount of convertible senior notes due in 2025 (the “2025 Notes”) in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act. The net proceeds from the issuance of the 2025 Notes were \$888.6 million, net of debt issuance costs and cash used to purchase the capped call transactions (the “2025 Capped Call Transactions”) discussed below. The 2025 Notes are unsecured and unsubordinated obligations.

Additional terms related to the Convertible Notes are as follows:

	Maturity Date	Redemption Date ¹	Optional Conversion Date ²	Initial Conversion Rate ³	Stated Interest Rate ⁴	Effective Interest Rate
2025 Notes	May 1, 2025	May 6, 2023	February 1, 2025	46.1233	0.25 %	0.48 %
2026 Notes	August 1, 2026	August 6, 2023	May 1, 2026	43.8481	0.75 %	0.91 %
2027 Notes	May 1, 2027	May 5, 2024	February 1, 2027	11.2042	— %	0.19 %
2028 Notes	March 1, 2028	March 5, 2025	December 1, 2027	17.7494	0.125 %	0.32 %
2030 Notes	May 1, 2030	May 5, 2027	February 1, 2030	45.0846	0.50 %	1.21 %

- (1) We may redeem for cash all or any portion of the Convertibles Notes, at our option, on or after the redemption dates based on certain circumstances as described in the respective indentures governing the Convertible Notes.
- (2) Holders of the Convertible Notes may convert all or a portion of their notes at their option prior to the optional conversion date, in multiples of \$1,000 principal amounts, under certain circumstances as described in the respective indentures governing the Convertible Notes. On or after the optional conversion date, the Convertible Notes are convertible at any time until the close of business on the business day immediately preceding the respective maturity date.
- (3) The Convertible Notes are convertible into cash, shares of our Class A common stock, or a combination of cash and shares of our Class A common stock, at our election, at the initial conversion rates of Class A common stock per \$1,000 principal amount of the respective Convertible Note. The initial conversion rates specified above represent an initial conversion price of \$21.68, \$22.81, \$89.25, \$56.34, and \$22.18 per share of our Class A common stock for the 2025 Notes, 2026 Notes, 2027 Notes, 2028 Notes, and 2030 Notes, respectively. The initial conversion rates are subject to customary adjustments for certain events as described in the respective indentures governing the Convertible Notes. Additionally, holders of the Convertible Notes who convert their notes in connection with a make-whole fundamental change or a redemption are entitled to an increase in the conversion rates, as described in the indentures governing the Convertible Notes. In the event of a fundamental change, holders of the Convertible Notes may require us to repurchase all or a portion of the Convertible Notes at a price equal to 100% of the principal amount, plus any accrued and unpaid interest, if any.
- (4) Interest is payable in cash semi-annually in arrears, except for the 2027 Notes, which do not bear regular interest.

As of March 31, 2025, the if-converted value of the Convertible Notes did not exceed the principal amount. The sale price for conversion was not satisfied as of March 31, 2025 for the Convertible Notes, and as a result, the Convertible Notes will not be eligible for optional conversion during the second quarter of 2025, other than the 2025 Notes, which are eligible for optional conversion as of February 1, 2025. No sinking fund is provided for the Convertible Notes, which means that we are not required to redeem or retire them periodically.

Refer to Note 7 in our consolidated financial statements in the Annual Report for additional details.

2025 Note Repurchases

In February 2025, we entered into various privately negotiated repurchase transactions (the “2025 Note Repurchases”) with certain holders of the 2026 Notes, 2027 Notes, and 2028 Notes, pursuant to which we repurchased \$45.3 million in aggregate principal amount of the 2026 Notes, \$797.4 million in aggregate principal amount of the 2027 Notes, and \$800.0 million in aggregate principal amount of the 2028 Notes. The total cash repurchase price was \$1.4 billion, which was \$190.1 million below the carrying value of the repurchased notes. The 2025 Note Repurchases were accounted for as both a debt modification and a partial debt extinguishment, which resulted in a \$66.9 million gain on extinguishment in the first quarter of 2025. The portion accounted for as a debt modification resulted in a \$128.3 million increase to the carrying value of the 2033 Notes, offset by \$5.1 million of debt issuance costs carried over from the repurchased notes.

2024 Note Repurchases

In February 2024, we entered into various privately negotiated repurchase transactions (the “February 2024 Note Repurchases”) with certain holders of the 2025 Notes and 2026 Notes, pursuant to which we repurchased \$100.0 million in aggregate principal of the 2025 Notes and \$351.2 million in aggregate principal of the 2026 Notes for a cash repurchase price of \$440.7 million. The February 2024 Note Repurchases resulted in an \$8.8 million gain on extinguishment in the first quarter of 2024.

In May 2024, we entered into various privately negotiated repurchase transactions (collectively with the February 2024 Note Repurchases, the “2024 Note Repurchases”) with certain holders of the 2025 Notes and 2026 Notes, pursuant to which we repurchased \$147.9 million in aggregate principal of the 2025 Notes and \$237.5 million in aggregate principal of the 2026 Notes. The total cash repurchase price was \$418.3 million, which was \$34.1 million above the carrying value of the notes repurchased. The May 2024 repurchase transactions were accounted for as both a debt modification and a partial debt extinguishment, which resulted in a \$15.5 million loss on extinguishment in the second quarter of 2024. The portion accounted for as a debt modification resulted in a \$20.9 million decrease to the carrying value of the 2030 Notes, which included debt issuance costs carried over from the 2025 Notes and 2026 Notes.

Gains and losses on extinguishment are included within other income (expense), net on our consolidated statements of operations.

The 2033 Notes and the Convertibles Notes (collectively, the “Notes”) consisted of the following:

	As of March 31, 2025				As of December 31, 2024			
	Principal	Unamortized Debt Issuance Costs	Unamortized (Discount) Premium	Net Carrying Amount	Principal	Unamortized Debt Issuance Costs	Unamortized (Discount) Premium	Net Carrying Amount
	(in thousands)							
Convertible Notes:								
2025 Notes	\$ 36,240	\$ (7)	\$ —	\$ 36,233	\$ 36,240	\$ (28)	\$ —	\$ 36,212
2026 Notes	204,461	(431)	—	204,030	249,754	(624)	—	249,130
2027 Notes	352,589	(1,365)	—	351,224	1,150,000	(4,984)	—	1,145,016
2028 Notes	700,000	(3,864)	—	696,136	1,500,000	(8,982)	—	1,491,018
2030 Notes	750,000	(7,237)	(18,963)	723,800	750,000	(7,582)	(19,865)	722,553
Senior Notes:								
2033 Notes	1,500,000	(25,211)	126,713	1,601,502	—	—	—	—
Total debt	\$ 3,543,290	\$ (38,115)	\$ 107,750	\$ 3,612,925	\$ 3,685,994	\$ (22,200)	\$ (19,865)	\$ 3,643,929

Each of the notes in the table above rank equally with each other. As of March 31, 2025, the debt issuance costs and discount or premium on the 2025 Notes, 2026 Notes, 2027 Notes, 2028 Notes, 2030 Notes, and 2033 Notes will be amortized over the remaining period of 0.1 years, 1.3 years, 2.1 years, 2.9 years, 5.1 years, and 7.9 years, respectively.

The following table summarizes interest expense related to our Notes:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Contractual interest expense	\$ 14,620	\$ 1,837
Amortization of debt issuance costs	8,148	1,622
Amortization of debt discount (premium)	(669)	—
Total interest expense	\$ 22,099	\$ 3,459

Cash paid for interest was \$2.4 million and \$4.1 million for the three months ended March 31, 2025 and 2024, respectively.

Capped Call Transactions

In connection with the pricing of the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, and the 2030 Notes, we entered into the 2025 Capped Call Transactions, the 2026 Capped Call Transactions, the 2027 Capped Call Transactions, the 2028 Capped Call Transactions, and the 2030 Capped Call Transactions (collectively, the “Capped Call Transactions”), respectively, with certain counterparties at a net cost of \$100.0 million, \$102.1 million, \$86.8 million, \$177.0 million, and \$68.9 million, respectively. The cap price of the 2025 Capped Call Transactions, the 2026 Capped Call Transactions, the 2027 Capped Call Transactions, the 2028 Capped Call Transactions, and the 2030 Capped Call Transactions is initially \$32.12, \$32.58, \$121.02, \$93.90, and \$33.48 per share of our Class A common stock, respectively. All are subject to certain adjustments under the terms of the Capped Call Transactions. Conditions that cause adjustments to the initial strike price of the Capped Call Transactions mirror conditions that result in corresponding adjustments for the Convertible Notes.

The Capped Call Transactions are intended to reduce potential dilution to holders of our Class A common stock beyond the conversion prices up to the cap prices on any conversion of the Convertible Notes or offset any cash payments we are required to make in excess of the principal amount, as the case may be, with such reduction or offset subject to a cap. The cost of the Capped Call Transactions was recorded as a reduction of our additional paid-in capital in our consolidated balance sheets. The Capped Call Transactions will not be remeasured as long as they continue to meet the conditions for equity classification.

In May 2024, we entered into agreements to terminate all of the 2025 Capped Call Transactions, which resulted in \$62.7 million recorded within additional paid-in capital in our consolidated balance sheets.

As of March 31, 2025, the remaining Capped Call Transactions were out-of-the-money.

Credit Facility

In May 2022, we entered into a five-year senior unsecured revolving credit facility (the “Credit Facility”) with certain lenders that allows us to borrow up to \$1.05 billion to fund working capital and general corporate-purpose expenditures. Loans bear interest, at our option, at a rate equal to (i) a term secured overnight financing rate (“SOFR”) plus 0.85% or the base rate, if selected by us, for loans made in U.S. dollars, (ii) the Sterling overnight index average plus 0.7826% for loans made in Sterling, or (iii) foreign indices as stated in the credit agreement plus 0.75% for loans made in other permitted foreign currencies. The base rate is defined as the greatest of (i) the Wall Street Journal prime rate, (ii) the greater of the (a) federal funds rate and (b) the overnight bank funding rate, plus 0.50%, and (iii) the applicable SOFR for a period of one month (but not less than zero) plus 1.00. The Credit Facility also contains an annual commitment fee of 0.10% on the daily undrawn balance of the facility.

In February 2025, we amended the Credit Facility to extend the term of \$800.0 million of the \$1.05 billion to February 12, 2030, with the remaining \$250.0 million of the Credit Facility maturing on the existing maturity date of May 6, 2027. In addition, the amendment increased the minimum liquidity covenant (defined as unrestricted cash and cash equivalents) from \$300.0 million to \$800.0 million. As of March 31, 2025, we had \$80.6 million in the form of outstanding standby letters of credit, with no amounts outstanding under the Credit Facility.

7. Commitments and Contingencies

Commitments

We have non-cancelable contractual agreements primarily related to the hosting of our data processing, storage, and other computing services, as well as lease, content and developer partner, and other commitments. We had \$4.6 billion in commitments as of March 31, 2025, primarily due within three years. For additional discussion on leases, see Note 8 to our consolidated financial statements.

Contingencies

We record a loss contingency when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. We also disclose material contingencies when we believe a loss is not probable but reasonably possible. Accounting for contingencies requires us to use judgment related to both the likelihood of a loss and the estimate of the amount or range of loss. Many legal and tax contingencies can take years to be resolved.

Pending Matters

In November 2021, we and certain of our officers and directors were named as defendants in a securities class action lawsuit purportedly brought on behalf of purchasers of our Class A common stock, alleging that we and certain of our officers made false or misleading statements and omissions concerning the impact that Apple's App Tracking Transparency framework would have on our business. We believe we have meritorious defenses to this lawsuit and continue to defend the lawsuit vigorously. Based on the preliminary nature of the proceedings in this case, the outcome of this matter remains uncertain.

The outcomes of our legal proceedings are inherently unpredictable, subject to significant uncertainties, and could be material to our financial condition, results of operations, and cash flows for a particular period. For the pending matter described above, it is not possible to estimate the reasonably possible loss or range of loss.

We are subject to various other legal proceedings and claims in the ordinary course of business, including certain patent, trademark, privacy, regulatory, and employment matters. Although occasional adverse decisions or settlements may occur, we do not believe that the final disposition of any of our other pending matters will seriously harm our business, financial condition, results of operations, and cash flows.

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, investors, directors, officers, employees, and other parties with respect to certain matters. Indemnification may include losses from our breach of such agreements, services we provide, or third-party intellectual property infringement claims. These indemnifications may survive termination of the underlying agreement and the maximum potential amount of future indemnification payments may not be subject to a cap. We have not incurred material costs to defend lawsuits or settle claims related to these indemnifications as of March 31, 2025. We believe the fair value of these liabilities is immaterial and accordingly have no liabilities recorded for these agreements at March 31, 2025.

8. Leases

We have non-cancelable lease agreements for certain of our offices with original lease terms expiring between 2025 and 2042. Total operating lease costs were \$25.8 million and \$25.4 million for the three months ended March 31, 2025 and 2024, respectively.

The weighted-average remaining lease term (in years) and discount rate related to our operating leases were as follows:

	As of March 31,	
	2025	2024
Weighted-average remaining lease term	9.1	9.8
Weighted-average discount rate	6.1 %	6.1 %

The maturities of our operating lease liabilities as of March 31, 2025 were as follows:

	Operating Leases (in thousands)
Remainder of 2025	\$ 34,200
2026	95,421
2027	90,086
2028	84,804
2029	85,608
Thereafter	424,728
Total lease payments	814,847
Less: Imputed interest	(216,919)
Present value of lease liabilities	<u>\$ 597,928</u>

Cash payments included in the measurement of our operating lease liabilities were \$26.8 million and \$28.2 million for the three months ended March 31, 2025 and 2024, respectively.

Lease liabilities arising from obtaining operating lease right-of-use assets were \$11.1 million and \$10.8 million for the three months ended March 31, 2025 and 2024, respectively.

9. Strategic Investments

We hold strategic investments primarily in privately held companies, which consist of equity securities, and to a lesser extent, debt securities. These strategic investments are primarily recorded at fair value on a non-recurring basis. The estimation of fair value for these privately held strategic investments requires the use of significant unobservable inputs, such as the issuance of new equity by the company, and as a result, we deem these assets as Level 3 financial instruments within the fair value measurement framework.

The following table summarizes our strategic investments as of March 31, 2025 and December 31, 2024:

	As of March 31, 2025	As of December 31, 2024
	(in thousands)	
Initial cost	\$ 105,112	\$ 106,052
Cumulative upward adjustments	146,201	146,201
Cumulative downward adjustments, including impairments	(74,558)	(63,910)
Carrying value	<u>\$ 176,755</u>	<u>\$ 188,343</u>

Gains and losses recognized during the periods presented were as follows:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Gains (losses) recognized on strategic investments sold during the period, net	\$ —	\$ —
Unrealized gains on strategic investments still held at the reporting date	—	182
Unrealized losses, including impairments, on strategic investments still held at the reporting date	(11,588)	(6,449)
Gains (losses) on strategic investments, net	<u>\$ (11,588)</u>	<u>\$ (6,267)</u>

Gains and losses on all strategic investments are included within other income (expense), net on our consolidated statements of operations and included as an adjustment to reconcile net loss to net cash provided by (used in) operating activities in our consolidated statements of cash flows. Strategic investments are included within other assets on our consolidated balance sheets.

10. Fair Value Measurements

Assets and liabilities measured at fair value are classified into the following categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs reflecting the reporting entity's own assumptions or external inputs from inactive markets.

We classify our cash equivalents and marketable securities within Level 1 or Level 2 because we use quoted market prices or alternative pricing sources and models utilizing observable market-based inputs to determine their fair value.

The following tables set forth our financial assets that are measured at fair value on a recurring basis, excluding publicly traded equity securities, as of March 31, 2025 and December 31, 2024:

As of March 31, 2025					
	Fair Value Hierarchy	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Total Estimated Fair Value
(in thousands)					
Cash		\$ 456,670	\$ —	\$ —	\$ 456,670
Cash equivalents:					
Money market funds	Level 1	454,557	—	—	454,557
Total cash and cash equivalents		911,227	—	—	911,227
Marketable debt securities:					
U.S. government securities	Level 1	2,191,534	6,486	(1,233)	2,196,787
Corporate debt securities	Level 2	90,591	81	(3)	90,669
Total marketable debt securities		2,282,125	6,567	(1,236)	2,287,456
Total		\$ 3,193,352	\$ 6,567	\$ (1,236)	\$ 3,198,683

As of December 31, 2024					
	Fair Value Hierarchy	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Total Estimated Fair Value
(in thousands)					
Cash		\$ 348,251	\$ —	\$ —	\$ 348,251
Cash equivalents:					
Money market funds	Level 1	694,323	—	(30)	694,293
U.S. government securities	Level 1	3,991	—	(1)	3,990
Total cash and cash equivalents		1,046,565	—	(31)	1,046,534
Marketable debt securities:					
U.S. government securities	Level 1	2,186,192	4,984	(3,292)	2,187,884
Corporate debt securities	Level 2	129,217	229	(5)	129,441
Total marketable debt securities		2,315,409	5,213	(3,297)	2,317,325
Total		\$ 3,361,974	\$ 5,213	\$ (3,328)	\$ 3,363,859

Gross unrealized losses on marketable debt securities were not material for the three months ended March 31, 2025 and 2024. As of March 31, 2025, we considered any decreases in fair value on our marketable debt securities to be driven by factors other than credit risk, including market risk. As of March 31, 2025, \$1.1 billion of our total \$2.3 billion in marketable debt securities have contractual maturities between one and five years. All other marketable debt securities have contractual maturities less than one year.

We hold investments in publicly traded companies with an aggregate carrying value of \$8.2 million and \$12.4 million as of March 31, 2025 and December 31, 2024, respectively, recorded as marketable securities. We classify these publicly traded equity securities within Level 1 because we use quoted market prices to determine their fair value. Gains and losses recognized during the periods presented, which are included within other income (expense), net on our consolidated statements of operations, were as follows:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Gains (losses) recognized on publicly traded equity securities sold during the period, net	\$ —	\$ —
Unrealized gains (losses) on publicly traded equity securities still held at the reporting date, net	(4,213)	(2,721)
Gains (losses) on publicly traded equity securities, net	<u>\$ (4,213)</u>	<u>\$ (2,721)</u>

We carry our Notes at face value less the unamortized debt issuance costs on our consolidated balance sheets and present the fair value for disclosure purposes only. As of March 31, 2025, the fair value of the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, the 2030 Notes, and the 2033 Notes was \$36.0 million, \$198.3 million, \$314.3 million, \$594.5 million, \$624.8 million, and \$1,499.3 million, respectively. As of December 31, 2024, the fair value of the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, and the 2030 Notes was \$35.5 million, \$242.7 million, \$998.5 million, \$1,226.6 million, and \$635.6 million, respectively. The estimated fair value of the Notes, which are classified as Level 2 financial instruments, was determined based on the estimated or actual bid prices of the Notes in an over-the-counter market on the last business day of the period.

Schedule of Cash, Cash Equivalents, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported in our consolidated balance sheet to the total of the amounts in the consolidated statements of cash flows.

	As of March 31,	
	2025	2024
	(in thousands)	
Cash and cash equivalents	\$ 911,227	\$ 1,060,393
Restricted cash, included in other assets	4,852	3,487
Total cash, cash equivalents, and restricted cash	<u>\$ 916,079</u>	<u>\$ 1,063,880</u>

11. Income Taxes

Our tax provision for interim periods is determined using an estimate of our annual effective tax rate, adjusted for discrete items arising in that quarter. Our effective tax rate differs from the U.S. statutory tax rate primarily due to valuation allowances on our deferred tax assets as it is more likely than not that some or all of our deferred tax assets will not be realized. Income tax expense was \$8.4 million and \$6.9 million for the three months ended March 31, 2025 and 2024, respectively.

12. Accumulated Other Comprehensive Income (Loss)

The table below presents the changes in accumulated other comprehensive income (loss) (“AOCI”) by component and the reclassifications out of AOCI:

	Changes in Accumulated Other Comprehensive Income (Loss) by Component		
	Marketable Securities	Foreign Currency Translation	Total
	(in thousands)		
Balance at December 31, 2024	\$ 1,730	\$ 964	\$ 2,694
Other comprehensive income (loss) before reclassifications	3,418	6,476	9,894
Amounts reclassified from AOCI ⁽¹⁾	29	—	29
Net current period other comprehensive income (loss)	3,447	6,476	9,923
Balance at March 31, 2025	\$ 5,177	\$ 7,440	\$ 12,617

- (1) Realized gains and losses on marketable securities are reclassified from AOCI into other income (expense), net in our consolidated statements of operations.

13. Restructuring**2024 Restructuring**

In the first quarter of 2024, we announced a plan to reduce hierarchy and concentrate our team members in major hub locations to support in-person collaboration, resulting in the reduction of our global headcount by approximately 10%. We completed the 2024 restructuring in the second quarter of 2024.

The following table summarizes the 2024 restructuring charges included in our consolidated statement of operations for the three months ended March 31, 2024:

	Three Months Ended March 31, 2024			
	Severance and Related Charges ⁽¹⁾	Stock-Based Compensation Expense	Other ⁽²⁾	Total
	(in thousands)			
Cost of revenue	\$ 837	\$ 207	\$ —	\$ 1,044
Research and development	31,269	4,517	3,201	38,987
Sales and marketing	15,256	4,218	—	19,474
General and administrative	6,265	95	2,351	8,711
Total	\$ 53,627	\$ 9,037	\$ 5,552	\$ 68,216

- (1) Severance and related charges include cash severance expenses and other termination benefits. The majority of cash paid for the restructuring was related to severance and benefits.
- (2) Other primarily includes intangible asset amortization and depreciation expense.

14. Segments and Geographic Information

Our CEO is our chief operating decision maker (“CODM”). Our CODM evaluates performance and makes operating decisions about allocating resources based on financial data presented on a consolidated basis, accompanied by information about revenue disaggregated by geographic region. Because our CODM evaluates financial performance on a consolidated basis, we have determined that we have a single operating segment composed of the consolidated financial results of Snap Inc.

The measure used by our CODM to assess performance and make operating decisions is net loss as reported on our consolidated statements of operations. Net loss is used by our CODM to identify underlying trends in the performance of our business and make comparisons with the financial performance of our competitors. Our CODM also reviews total

assets, as reported on our consolidated balance sheets, and purchases of property and equipment, as reported on our consolidated statements of cash flows.

Our CODM also utilizes expense information in order to assess our financial performance. Infrastructure costs primarily consist of payments to third-party infrastructure partners for hosting our products, which include expenses related to storage, computing, and bandwidth. Content and developer partner costs primarily consist of fees paid to our content creators and publisher partners who share content on our platform through revenue sharing arrangements. Advertising partner and other costs primarily consist of payments to third-party partners for fulfillment services, transaction processing fees, and other expenses directly related to providing our services. Operating expenses include all remaining costs necessary to operate our business, which primarily include personnel expenses, facilities and related costs, promotional and marketing expenses, external professional services, and other administrative expenses. Operating expenses include charges recognized as research and development, selling and marketing, and general and administrative expenses within our consolidated statements of operations, but exclude stock-based compensation and related payroll and other tax expenses, depreciation and amortization, and restructuring charges, which are independently reviewed by our CODM.

The following table presents the significant segment expenses and other segment items regularly reviewed by our CODM:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Revenue	\$ 1,363,217	\$ 1,194,773
Less:		
Infrastructure costs	376,568	337,506
Content and developer partner costs	160,904	148,245
Advertising partner and other costs	99,151	84,104
Operating expenses	618,169	579,259
Stock-based compensation and related payroll and other tax expense	264,556	270,685
Depreciation and amortization	37,715	38,098
Other segment items ⁽¹⁾	(54,259)	41,966
Net loss	<u>\$ (139,587)</u>	<u>\$ (305,090)</u>

- (1) Other segment items primarily include interest income; interest expense; other income (expense), net; and income tax benefit (expense) as reported in our consolidated statements of operations. Other segment items also include restructuring charges of \$70.1 million for the three months ended March 31, 2024. No restructuring charges were incurred during the three months ended March 31, 2025.

The following table represents our long-lived assets, which includes property and equipment, net and operating lease right-of-use assets, by geography:

	As of March 31, 2025	As of December 31, 2024
	(in thousands)	
United States	\$ 691,522	\$ 682,173
United Kingdom	244,402	248,243
Rest of world ⁽¹⁾	93,699	89,113
Total long-lived assets, net	<u>\$ 1,029,623</u>	<u>\$ 1,019,529</u>

- (1) No individual country other than the United States and the United Kingdom exceeded 10% of our total long-lived assets for any period presented.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements included in our Annual Report. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs that involve significant risks and uncertainties. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to those differences include those discussed below and elsewhere in this Quarterly Report on Form 10-Q, particularly in "Risk Factors," "Note Regarding Forward-Looking Statements," and "Note Regarding User Metrics and Other Data."

Overview of First Quarter 2025 Results

Our key user metrics and financial results for the three months ended March 31, 2025 were as follows:

User Metrics

- Daily Active Users, or DAUs, increased 9% year-over-year to 460 million.
- Average revenue per user, or ARPU, was \$2.96, compared to \$2.83 in the prior year.

Financial Results

- Revenue was \$1,363.2 million, compared to \$1,194.8 million in the prior year, an increase of 14% year-over-year.
- Total costs and expenses were \$1,557.1 million, compared to \$1,528.0 million in the prior year.
- Net loss was \$139.6 million, compared to \$305.1 million in the prior year.
- Adjusted EBITDA was \$108.4 million, compared to \$45.7 million in the prior year.
- Diluted net loss per share was \$(0.08), compared to \$(0.19) in the prior year.
- Cash provided by operating activities was \$151.6 million, compared to \$88.4 million in the prior year.
- Free Cash Flow was \$114.4 million, compared to \$37.9 million in the prior year.
- Cash, cash equivalents, and marketable securities were \$3.2 billion as of March 31, 2025.

Business and Macroeconomic Conditions

We periodically make changes to our business and priorities. In recent years, we conducted a strategic reprioritization to realign our focus on three strategic priorities: growing our community and deepening their engagement with our products, accelerating and diversifying our revenue growth, and investing in the future of augmented reality. We believe that we can be successful in our current operating environment, with various macroeconomic factors impacting our business, by rigorously prioritizing our investments and continuing to engage our community with our products while driving success for our advertising partners. However, the impact of our strategic reprioritization and recent restructurings is difficult to predict.

Macroeconomic factors such as labor shortages and disruptions, supply chain disruptions, inflation, changes in interest and foreign currency exchange rates, banking instability, tariffs and retaliatory countermeasures, war and other armed conflict, and other risks and uncertainties have in the past and may continue to cause logistical challenges, increased input costs, and inventory constraints for our advertisers, which in turn may cause our advertisers to halt or decrease advertising spending on our platform. Such macroeconomic factors may also negatively impact, in the short-term or long-term, the global economy, advertising ecosystem, our customers and their budgets with us, user engagement, other user metrics, and our business, financial condition, and results of operations.

In addition, competition for advertising dollars has increased and demand growth on our advertising platform has slowed. We expect to continue to experience increased competition, which may result in reduced advertising demand, and could adversely affect our revenue growth, pricing, business, financial condition, and results of operations. Demand has also been disrupted by recent changes we made to our advertising platform, and, in the future, we may continue to experience adverse impacts to our revenue growth as a result of these changes.

Our revenue, particularly in North America, has further been impacted by platform policy changes and restrictions that affected our targeting, measurement, and optimization capabilities, and in turn our ability to measure the effectiveness of advertisements on our services. This has resulted in, and in the future is likely to continue to result in, reduced advertising revenue, especially if we are unable to mitigate these developments.

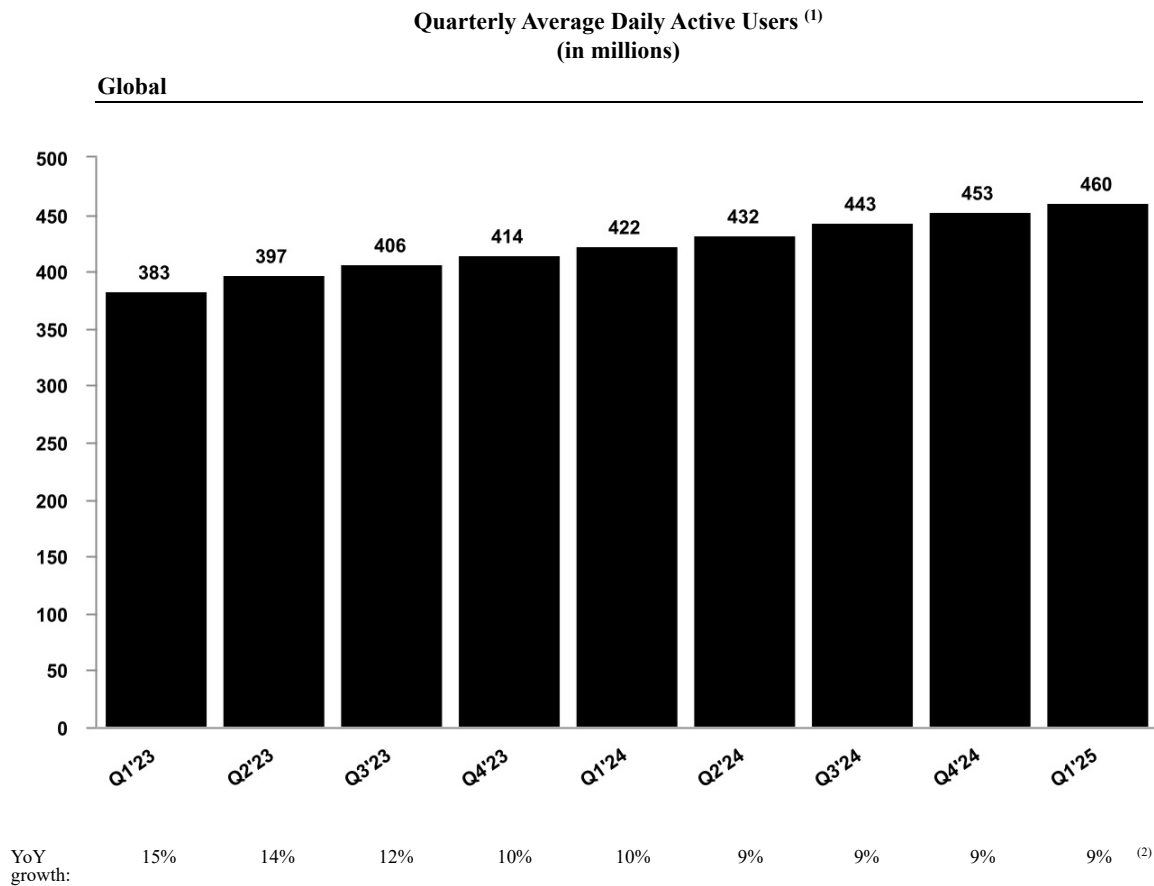
We compete with other companies in every aspect of our business. We must compete effectively for users and advertisers to grow our business and increase our revenue. These and other risks and uncertainties are further described in the section titled “Risk Factors” in Part II, Item 1A of this Quarterly Report on Form 10-Q.

Trends in User Metrics

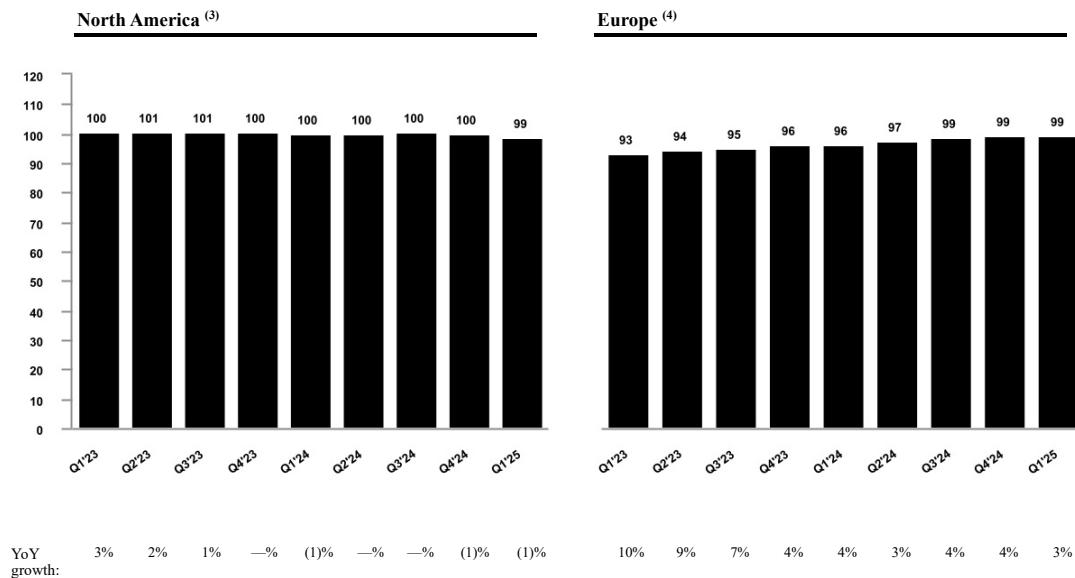
We define a DAU as a registered and logged-in Snapchat user who visits Snapchat through our applications or websites at least once during a defined 24-hour period. We define ARPU as quarterly revenue divided by the average DAUs. We assess the health of our business by measuring DAUs and ARPU because we believe that these metrics are important ways for both management and investors to understand engagement and monitor the performance of our platform. We also measure ARPU because we believe that this metric helps our management and investors to assess the extent to which we are monetizing our service.

User Engagement

We calculate average DAUs for a particular quarter by adding the number of DAUs on each day of that quarter and dividing that sum by the number of days in that quarter. DAUs are broken out by geography because markets have different characteristics. We had 460 million DAUs on average in the first quarter of 2025, an increase of 38 million, or 9%, from the first quarter of 2024.

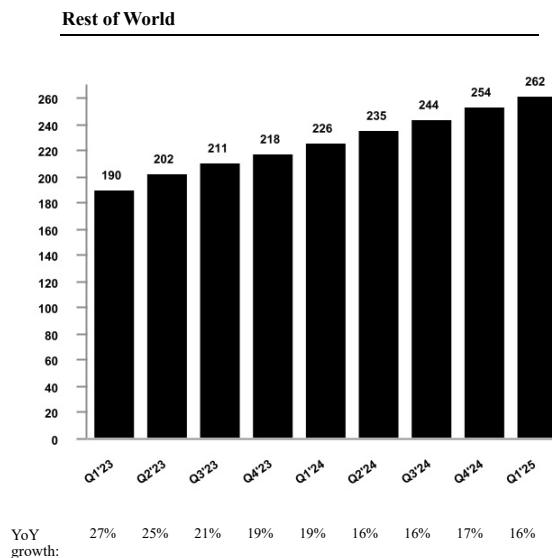


- (1) Numbers may not foot due to rounding.
- (2) In the first quarter of 2025, we refined our processes and controls to allow us to more accurately record user activity that would not otherwise be recorded during such period due to delays in receiving user metric information resulting from carrier or other user connectivity issues during the measurement period. For additional information concerning these refinements, see the “Note Regarding User Metrics and Other Data.” As a result of such refinements, our DAUs may not be directly comparable to those in prior periods, including in this table and the following tables below as they reflect a comparison to previously reported numbers. For example, had such refinements not been made in the first quarter of 2025, the year-over-year increase in such quarter for Rest of World would have been 15% instead of 16% given that the refinements primarily affected this region.



(3) North America includes Mexico, the Caribbean, and Central America.

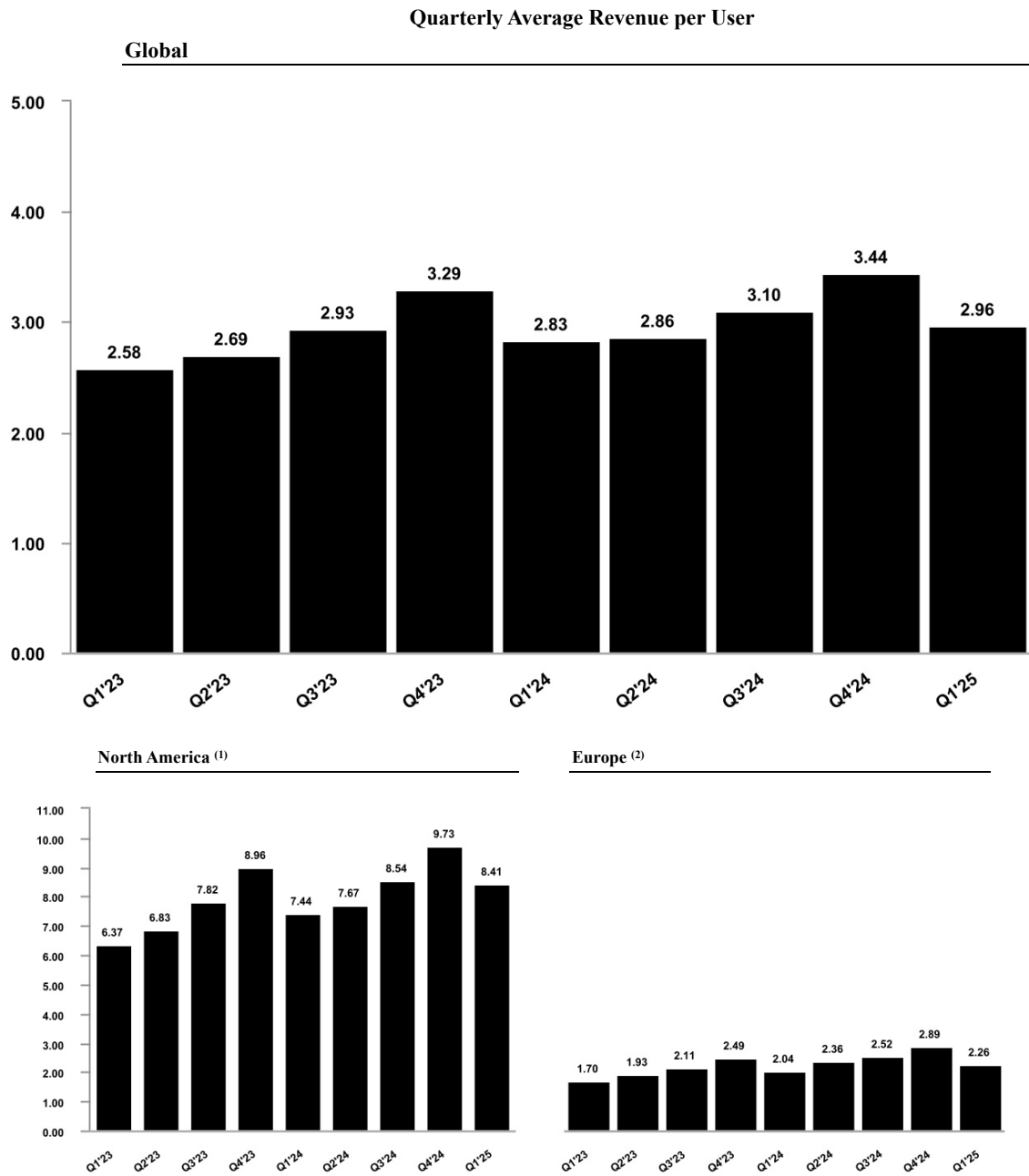
(4) Europe includes Russia and Turkey.



Monetization

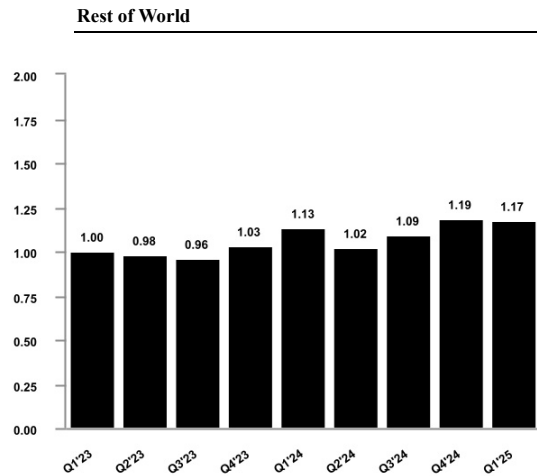
We recorded revenue of \$1,363.2 million for the three months ended March 31, 2025, compared to revenue of \$1,194.8 million for the same period in 2024, an increase of 14% year-over-year. We monetize our business primarily through advertising. Our advertising products include Snap Ads and AR Ads.

We measure our business using ARPU because it helps us understand the rate at which we are monetizing our daily user base. ARPU was \$2.96 in the first quarter of 2025, compared to \$2.83 in the first quarter of 2024. For purposes of calculating ARPU, revenue by user geography is apportioned to each region based on a determination of the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity. This differs from the presentation of our revenue by geography in the notes to our consolidated financial statements, where revenue is based on the billing address of the advertising customer.



(1) North America includes Mexico, the Caribbean, and Central America.

(2) Europe includes Russia and Turkey. Effective March 2022, we halted advertising sales to Russian and Belarusian entities.



Results of Operations

Components of Results of Operations

Revenue

We generate the majority of our revenue through the sale of our advertising products on Snapchat, which include Snap Ads and AR Ads, referred to as advertising revenue. Snap Ads may be subject to revenue sharing arrangements between us and the content partner. We also generate revenue from Snapchat+, our subscription product that provides subscribers access to exclusive, experimental, and pre-release features, and subscriptions and sales of hardware products. Sales of hardware products are reported net of allowances for returns.

Cost of Revenue

Cost of revenue includes payments for infrastructure, content and developer partner costs, and advertiser partner and other costs. Infrastructure costs primarily consist of payments to third-party infrastructure partners for hosting our products, which include expenses related to storage, computing, and bandwidth. Content and developer partner costs primarily consist of fees paid to our content creators and publisher partners who share content on our platform through revenue sharing arrangements. Under these arrangements, we pay a portion of the fees we receive from advertisers for Snap Ads that are displayed within partner content on Snapchat. Advertising partner and other costs primarily consist of payments to third-party partners for fulfillment services, transaction processing fees, and other expenses directly related to providing our services. Cost of revenue includes personnel-related costs, including salaries, benefits, and stock-based compensation expense for our employees engaged in the delivery of our services. Cost of revenue also includes facilities and other supporting overhead costs, including depreciation and amortization, and inventory costs.

Research and Development Expenses

Research and development expenses primarily consist of personnel-related costs, including salaries, benefits, and stock-based compensation expense for our engineers, designers, and other employees engaged in the research and development of our products. Research and development expenses also include facilities and other supporting overhead costs, including depreciation and amortization. Research and development costs are expensed as incurred.

Sales and Marketing Expenses

Sales and marketing expenses primarily consist of personnel-related costs, including salaries, benefits, commissions, and stock-based compensation expense for our employees engaged in sales and sales support, business development, media, marketing, corporate partnerships, and customer service functions. Sales and marketing expenses also include costs incurred for advertising, market research, tradeshow, branding, marketing, promotional expense, and public relations, as well as facilities and other supporting overhead costs, including depreciation and amortization.

General and Administrative Expenses

General and administrative expenses primarily consist of personnel-related costs, including salaries, benefits, and stock-based compensation expense for our finance, legal, information technology, human resources, and other administrative teams. General and administrative expenses also include facilities and supporting overhead costs, including depreciation and amortization, and external professional services.

Interest Income

Interest income primarily consists of interest earned on our cash, cash equivalents, and marketable securities.

Interest Expense

Interest expense primarily consists of interest expense associated with our Notes and commitment fees related to our revolving credit facility.

Other Income (Expense), Net

Other income (expense), net primarily consists of gains and losses on debt extinguishments, and gains and losses on strategic investments, marketable securities, and foreign currency transactions.

Income Tax Benefit (Expense)

We are subject to income taxes in the United States and numerous foreign jurisdictions. Our effective tax rates will vary depending on changes in the valuation of our deferred tax assets and liabilities, the relative proportion of foreign to domestic income, use of tax credits, and changes in tax laws.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss), excluding interest income; interest expense; other income (expense), net; income tax benefit (expense); depreciation and amortization; stock-based compensation expense; payroll and other tax expense related to stock-based compensation; and certain other items impacting net income (loss) from time to time. We consider the exclusion of these items in calculating Adjusted EBITDA to provide a useful measure for period-to-period comparisons of our business and for investors and others to evaluate our operating results in the same manner as does our management. See “Non-GAAP Financial Measures” for additional information and a reconciliation of net loss to Adjusted EBITDA.

Discussion of Results of Operations

The following table sets forth our consolidated statements of operations data:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Consolidated Statements of Operations Data:		
Revenue	\$ 1,363,217	\$ 1,194,773
Costs and expenses ^{(1) (2)} :		
Cost of revenue	639,579	574,749
Research and development	424,165	449,759
Sales and marketing	257,957	276,034
General and administrative	235,362	227,463
Total costs and expenses	1,557,063	1,528,005
Operating loss	(193,846)	(333,232)
Interest income	37,018	39,898
Interest expense	(23,399)	(4,743)
Other income (expense), net	49,069	(81)
Loss before income taxes	(131,158)	(298,158)
Income tax benefit (expense)	(8,429)	(6,932)
Net loss	\$ (139,587)	\$ (305,090)
Adjusted EBITDA ⁽³⁾	\$ 108,425	\$ 45,659

(1) Stock-based compensation expense included in the above line items:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Stock-based compensation expense:		
Cost of revenue	\$ 1,434	\$ 1,815
Research and development	156,688	174,519
Sales and marketing	54,440	54,656
General and administrative	34,776	32,762
Total	\$ 247,338	\$ 263,752

(2) Depreciation and amortization expense included in the above line items:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Depreciation and amortization expense:		
Cost of revenue	\$ 1,420	\$ 2,150
Research and development	22,987	27,598
Sales and marketing	4,823	4,577
General and administrative	8,485	7,388
Total	\$ 37,715	\$ 41,713

(3) See “Non-GAAP Financial Measures” for more information and for a reconciliation of Adjusted EBITDA to net loss, the most directly comparable financial measure calculated and presented in accordance with GAAP.

The following table sets forth the components of our consolidated statements of operations data for each of the periods presented as a percentage of revenue:

	Three Months Ended March 31,	
	2025	2024
Consolidated Statements of Operations Data:		
Revenue	100 %	100 %
Costs and expenses:		
Cost of revenue	47	48
Research and development	31	38
Sales and marketing	19	23
General and administrative	17	19
Total costs and expenses	114	128
Operating loss	(14)	(28)
Interest income	2	3
Interest expense	(2)	—
Other income (expense), net	4	—
Loss before income taxes	(10)	(25)
Income tax benefit (expense)	—	(1)
Net loss	(10)%	(26)%

Three Months Ended March 31, 2025 and 2024

Revenue

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Revenue	\$ 1,363,217	\$ 1,194,773
Revenue as a dollar change		\$ 168,444
Revenue as a percentage change		14 %

Revenue for the three months ended March 31, 2025 increased \$168.4 million compared to the same period in 2024. The increase was driven by a \$103.0 million increase in advertising revenue, which is due to an increase in global advertising impressions volume of approximately 17% compared to the prior year, partially offset by a decrease in the cost per advertising impression of approximately 7%. The increase in global advertising impressions volume was driven by expanded advertising delivery within Spotlight and Creator Stories and the decrease in the cost per advertising impression was due to inventory growth exceeding advertising demand growth. The increase was also driven by a \$65.4 million increase in other revenue, which is due to higher subscription revenue due to growth in the number of subscribers.

Cost of Revenue

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Cost of Revenue	\$ 639,579	\$ 574,749
Cost of Revenue as a dollar change		\$ 64,830
Cost of Revenue as a percentage change		11 %

Cost of revenue for the three months ended March 31, 2025 increased \$64.8 million compared to the same period in 2024. The increase was primarily driven by a \$39.1 million increase in infrastructure costs, attributable to DAU growth of 9% compared to the prior year as well as investments in machine learning and AI.

Research and Development Expenses

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Research and Development Expenses	\$ 424,165	\$ 449,759
Research and Development Expenses as a dollar change		\$ (25,594)
Research and Development Expenses as a percentage change		(6)%

Research and development expenses for the three months ended March 31, 2025 decreased \$25.6 million compared to the same period in 2024. The decrease was primarily driven by \$39.0 million in restructuring charges recognized in the prior year. The decrease was partially offset by higher employee compensation due to an increase in research and development headcount compared to the prior year.

Sales and Marketing Expenses

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Sales and Marketing Expenses	\$ 257,957	\$ 276,034
Sales and Marketing Expenses as a dollar change		\$ (18,077)
Sales and Marketing Expenses as a percentage change		(7)%

Sales and marketing expenses for the three months ended March 31, 2025 decreased \$18.1 million compared to the same period in 2024. The decrease was primarily driven by \$19.5 million in restructuring charges recognized in the prior year as well as decreased marketing investments compared to the prior year. The decrease was partially offset by higher employee compensation due to an increase in sales and marketing headcount compared to the prior year.

General and Administrative Expenses

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
General and Administrative Expenses	\$ 235,362	\$ 227,463
General and Administrative Expenses as a dollar change		\$ 7,899
General and Administrative Expenses as a percentage change		3 %

General and administrative expenses for the three months ended March 31, 2025 increased \$7.9 million compared to the same period in 2024. The increase was primarily driven by higher spend on external professional services, including legal-related expenses. The increase was partially offset by \$8.7 million in restructuring charges recognized in the prior year.

Interest Income

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Interest Income	\$ 37,018	\$ 39,898
Interest Income as a dollar change		\$ (2,880)
Interest Income as a percentage change		(7)%

Interest income for the three months ended March 31, 2025 decreased \$2.9 million compared to the same period in 2024. The decrease was primarily driven by lower interest rates.

Interest Expense

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Interest Expense	\$ (23,399)	\$ (4,743)
Interest Expense as a dollar change		\$ (18,656)
Interest Expense as a percentage change		393 %

Interest expense for the three months ended March 31, 2025 increased \$18.7 million compared to the same period in 2024. The increase was primarily driven by additional interest expense on our 2033 Notes which were issued in February 2025.

Other Income (Expense), Net

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
	(NM = Not Meaningful)	
Other Income (Expense), Net	\$ 49,069	\$ (81)
Other Income (Expense), Net as a dollar change		\$ 49,150
Other Income (Expense), Net as a percentage change		NM

Other income, net for the three months ended March 31, 2025 was primarily driven by a \$66.9 million gain on extinguishment associated with the 2025 Note Repurchases, which is discussed within Note 6 to our consolidated financial

statements included elsewhere in this Quarterly Report, partially offset by \$11.6 million in net losses on strategic investments and \$4.2 million in unrealized losses on publicly traded securities classified as marketable securities.

Other expense, net for the prior year was primarily a result of \$6.3 million in net losses on strategic investments and \$2.7 million in unrealized losses on publicly traded securities classified as marketable securities, partially offset by a \$8.8 million gain on extinguishment associated with the February 2024 Note Repurchases, which is discussed within Note 6 to our consolidated financial statements included elsewhere in this Quarterly Report.

Income Tax Benefit (Expense)

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Income Tax Benefit (Expense)	\$ (8,429)	\$ (6,932)
Income Tax Benefit (Expense) as a dollar change		\$ (1,497)
Income Tax Benefit (Expense) as a percentage change		(22)%
Effective Tax Rate	(6.4)%	(2.3)%

Income tax expense for the three months ended March 31, 2025 was \$8.4 million, compared to an income tax expense of \$6.9 million for the same period in 2024. Our effective tax rate differs from the U.S. statutory tax rate primarily due to valuation allowances on our deferred tax assets as it is more likely than not that some or all of our deferred tax assets will not be realized.

Net Loss and Adjusted EBITDA

	Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Net Loss	\$ (139,587)	\$ (305,090)
Net Loss as a dollar change		\$ 165,503
Net Loss as a percentage change		54 %
Adjusted EBITDA	\$ 108,425	\$ 45,659
Adjusted EBITDA as a dollar change		\$ 62,766
Adjusted EBITDA as a percentage change		137 %

Net loss for the three months ended March 31, 2025 was \$139.6 million, compared to \$305.1 million for the same period in 2024. The decrease in net loss was primarily the result of the changes in revenues and expenses discussed above.

Adjusted EBITDA for the three months ended March 31, 2025 was \$108.4 million, compared to \$45.7 million for the same period in 2024. The increase was primarily attributable to increased revenue, lower research and development expenses, and lower sales and marketing expenses, partially offset by higher cost of revenue and general and administrative expenses.

For a discussion of the limitations associated with using Adjusted EBITDA rather than GAAP measures and a reconciliation of this measure to net loss, see “Non-GAAP Financial Measures.”

Liquidity and Capital Resources

Capital Resources

Cash, cash equivalents, and marketable securities were \$3.2 billion as of March 31, 2025, primarily consisting of cash on deposit with banks and highly liquid investments in U.S. government and agency securities, money market funds,

corporate debt securities, certificates of deposit, commercial paper, and publicly traded equity securities. Our primary source of liquidity is cash generated through financing activities. Our primary uses of cash include operating costs such as personnel-related costs and the infrastructure costs of the Snapchat application, facility-related capital spending, and acquisitions and investments. There are no known material subsequent events that could have a material impact on our cash or liquidity. We may contemplate and engage in merger and acquisition activity that could materially impact our liquidity and capital resource position.

As of March 31, 2025, approximately 6.7% of our cash, cash equivalents, and marketable securities was held by our foreign subsidiaries, primarily in the United Kingdom. Cash held by our foreign subsidiaries is utilized to fund our foreign operations and may be repatriated, subject to certain limitations. Upon repatriation, these funds would be available to fund our domestic operations, but repatriation may result in additional tax liabilities. We maintain substantially all of our cash, cash equivalents, and marketable securities in accounts with major United States and multi-national financial institutions. We believe our existing cash balance is sufficient to fund our working capital needs.

As of March 31, 2025, we had \$1.05 billion of revolving credit facilities, of which \$250.0 million expires in May 2027 and \$800.0 million expires in February 2030. The interest rates for all credit facilities are determined based on a formula using certain market rates, as described in Note 6 to our consolidated financial statements included elsewhere in this Quarterly Report. The Credit Facility also contains an annual commitment fee of 0.10% on the daily undrawn balance of the facility. As of March 31, 2025, we had \$80.6 million in the form of outstanding standby letters of credit, with no amounts outstanding under the Credit Facility.

Material Cash Requirements

Debt

As of March 31, 2025, we had outstanding debt in the form of senior unsecured notes and senior convertible notes for an aggregate principal amount of \$3.5 billion, which mature from 2025 through 2033. Short-term and long-term future interest payments obligations as of March 31, 2025 were \$113.6 million and \$741.3 million, respectively.

Under certain circumstances, holders of the Convertible Notes may convert all or a portion of their notes prior to the applicable maturity date. Upon conversion, the notes may be settled in cash, shares of our Class A common stock, or a combination of cash and shares of our Class A common stock, at our election. As of March 31, 2025 the Convertible Notes will not be eligible for optional conversion during the second quarter of 2025, other than the 2025 Notes, which are eligible for optional conversion as of February 1, 2025.

For additional discussion on our debt, see Note 6 to our consolidated financial statements included elsewhere in this Quarterly Report.

Contractual Commitments

We have non-cancelable contractual agreements primarily related to the hosting of our data processing, storage, and other computing services, as well as lease, content and developer partner, and other commitments. We had \$4.6 billion in commitments, as of March 31, 2025, primarily due within three years. For additional discussion on our leases, see Note 8 to our consolidated financial statements.

Stock Repurchases

In October 2024, our board of directors authorized a stock repurchase program of up to \$500.0 million of our Class A common stock. For the three months ended March 31, 2025, we repurchased and retired 27.3 million shares of our Class A common stock for \$257.1 million, including costs associated with the repurchases. As of March 31, 2025, the remaining availability under the stock repurchase authorization was \$243.2 million.

Contingencies

We are involved in claims, lawsuits, tax matters, government investigations, and proceedings arising in the ordinary course of our business. We record a provision for a liability when we believe that it is both probable that a liability has been incurred and the amount can be reasonably estimated. We also disclose material contingencies when we believe that a loss is not probable but reasonably possible. Significant judgment is required to determine both probability and the estimated amount. Such claims, suits, and proceedings are inherently unpredictable and subject to significant uncertainties,

some of which are beyond our control. Many of these legal and tax contingencies can take years to resolve. Should any of these estimates and assumptions change or prove to be incorrect, it could have a material impact on our results of operations, financial position, and cash flows.

We believe our existing cash balance is sufficient to fund our ongoing working capital, investing, and financing requirements for at least the next 12 months. Our future capital requirements will depend on many factors including our growth rate, headcount, sales and marketing activities, research and development efforts, the introduction of new features, products, and acquisitions, and continued user engagement. We continually evaluate opportunities to issue or repurchase equity or debt securities, obtain, retire, or restructure credit facilities or financing arrangements, or declare dividends for strategic reasons or to further strengthen our financial position.

Sources and Uses of Cash and Related Trends

The following table sets forth the major components of our consolidated statements of cash flows for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Net cash provided by (used in) operating activities	\$ 151,610	\$ 88,352
Net cash provided by (used in) investing activities	2,754	(131,183)
Net cash provided by (used in) financing activities	(288,519)	(675,751)
Change in cash, cash equivalents, and restricted cash	\$ (134,155)	\$ (718,582)
Free Cash Flow ⁽¹⁾	\$ 114,396	\$ 37,904

- (1) For information on how we define and calculate Free Cash Flow and a reconciliation to net cash provided by (used in) operating activities to Free Cash Flow, see “Non-GAAP Financial Measures.”

Net Cash Provided by (Used in) Operating Activities

Net cash provided by operating activities was \$151.6 million for the three months ended March 31, 2025, compared to \$88.4 million for the same period in 2024, resulting primarily from our net loss, adjusted for non-cash items, including stock-based compensation expense of \$247.3 million, a gain on debt extinguishment of \$66.9 million, and depreciation and amortization expense of \$37.7 million. Net cash provided by operating activities for the three months ended March 31, 2025 was also driven by a \$194.2 million decrease in accounts receivable due to higher collections and a reduction in billings in the period, partially offset by a \$162.6 million decrease in accrued expenses and other current liabilities primarily due to the timing of payments.

Net Cash Provided by (Used in) Investing Activities

Net cash provided by investing activities was \$2.8 million for the three months ended March 31, 2025, compared to net cash used in investing activities of \$131.2 million for the same period in 2024. Our investing activities for the three months ended March 31, 2025 primarily consisted of maturities of marketable securities of \$263.8 million and sales of marketable securities of \$12.0 million, partially offset by purchases of marketable securities of \$235.8 million and purchases of property and equipment of \$37.2 million. Our investing activities for the three months ended March 31, 2024 primarily consisted of purchases of marketable securities of \$465.7 million and purchases of property and equipment of \$50.4 million, partially offset by maturities of marketable securities of \$384.9 million.

Net Cash Provided by (Used in) Financing Activities

Net cash used in financing activities was \$288.5 million for the three months ended March 31, 2025, compared to net cash used in financing activities of \$675.8 million for the same period in 2024. Our financing activities for the three months ended March 31, 2025 primarily consisted of the 2025 Note Repurchases for \$1.4 billion, repurchases of our Class A common stock for \$257.1 million, and deferred payments for acquisitions of \$58.0 million, partially offset by the issuance of the 2033 Notes for net proceeds of \$1.5 billion. Our financing activities for the three months ended March 31,

2024 primarily consisted of the February 2024 Note Repurchases for \$440.7 million and repurchases of our Class A common stock for \$235.1 million.

Free Cash Flow

Free Cash Flow was \$114.4 million for the three months ended March 31, 2025, compared to \$37.9 million for the same period in 2024. Free Cash Flow in all periods was composed of net cash provided by (used in) operating activities, resulting primarily from net loss, adjusted for non-cash items and changes in working capital. Free Cash Flow also included purchases of property and equipment of \$37.2 million for the three months ended March 31, 2025, compared to \$50.4 million for the same period in 2024. Purchases of property and equipment in all periods are primarily related to improvements to our leased facilities to support our team workspaces. See “Non-GAAP Financial Measures.”

Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to understand and evaluate our core operating performance. These non-GAAP financial measures, which may be different than similarly titled measures used by other companies, are presented to enhance investors’ overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We use the non-GAAP financial measure of Free Cash Flow, which is defined as net cash provided by (used in) operating activities, reduced by purchases of property and equipment. We believe Free Cash Flow is an important liquidity measure of the cash that is available, after capital expenditures, for operational expenses and investment in our business and is a key financial indicator used by management. Additionally, we believe that Free Cash Flow is an important measure since we use third-party infrastructure partners to host our services and therefore we do not incur significant capital expenditures to support revenue generating activities. Free Cash Flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth.

We use the non-GAAP financial measure of Adjusted EBITDA, which is defined as net income (loss), excluding interest income; interest expense; other income (expense), net; income tax benefit (expense); depreciation and amortization; stock-based compensation expense; payroll and other tax expense related to stock-based compensation; and certain other items impacting net income (loss) from time to time. We believe that Adjusted EBITDA helps identify underlying trends in our business that could otherwise be masked by the effect of the expenses that we exclude in Adjusted EBITDA.

We believe that both Free Cash Flow and Adjusted EBITDA provide useful information about our financial performance, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to key metrics used by our management for financial and operational decision-making. We are presenting the non-GAAP measures of Free Cash Flow and Adjusted EBITDA to assist investors in seeing our financial performance through the eyes of management, and because we believe that these measures provide an additional tool for investors to use in comparing our core financial performance over multiple periods with other companies in our industry.

These non-GAAP financial measures should not be considered in isolation from, or as substitutes for, financial information prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures compared to the closest comparable GAAP measure. Some of these limitations are that:

- Free Cash Flow does not reflect our future contractual commitments;
- Adjusted EBITDA excludes certain recurring, non-cash charges such as depreciation of fixed assets and amortization of acquired intangible assets and, although these are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future;
- Adjusted EBITDA excludes stock-based compensation expense and payroll and other tax expense related to stock-based compensation, which have been, and will continue to be for the foreseeable future, significant recurring expenses in our business and an important part of our compensation strategy; and
- Adjusted EBITDA excludes income tax benefit (expense).

The following table presents a reconciliation of Free Cash Flow to net cash provided by (used in) operating activities, the most comparable GAAP financial measure, for each of the periods presented:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Free Cash Flow reconciliation:		
Net cash provided by (used in) operating activities	\$ 151,610	\$ 88,352
Less:		
Purchases of property and equipment	(37,214)	(50,448)
Free Cash Flow	<u>\$ 114,396</u>	<u>\$ 37,904</u>

The following table presents a reconciliation of Adjusted EBITDA to net loss, the most comparable GAAP financial measure, for each of the periods presented:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Adjusted EBITDA reconciliation:		
Net loss	\$ (139,587)	\$ (305,090)
Add (deduct):		
Interest income	(37,018)	(39,898)
Interest expense	23,399	4,743
Other (income) expense, net	(49,069)	81
Income tax (benefit) expense	8,429	6,932
Depreciation and amortization	37,715	38,098
Stock-based compensation expense	247,338	254,715
Payroll and other tax expense related to stock-based compensation	17,218	15,970
Restructuring charges ⁽¹⁾	—	70,108
Adjusted EBITDA	<u>\$ 108,425</u>	<u>\$ 45,659</u>

- (1) Restructuring charges during 2024 primarily include \$68.2 million of cash severance, stock-based compensation expense, and other charges associated with the 2024 restructuring. These charges are not reflective of underlying trends in our business. Refer to Note 13 in our consolidated financial statements.

Critical Accounting Policies and Estimates

We prepare our financial statements in accordance with GAAP. Preparing these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates.

The critical accounting estimates, assumptions, and judgments that we believe to have the most significant impact on our consolidated financial statements are revenue recognition, valuation of assets, loss contingencies, and income taxes.

There have been no material changes to our critical accounting policies and estimates as described in our Annual Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate risk, foreign currency risk and equity price risk as follows:

Interest Rate Risk

We had cash and cash equivalents totaling \$0.9 billion and \$1.0 billion as of March 31, 2025 and December 31, 2024, respectively. We had marketable securities totaling \$2.3 billion and \$2.3 billion as of March 31, 2025 and December 31, 2024, respectively. Our cash and cash equivalents primarily consist of cash in bank accounts and money market funds, and our marketable securities consist of U.S. government debt and agency securities, publicly traded equity securities, corporate debt securities, certificates of deposit, and commercial paper. The primary objectives of our investment activities are to preserve principal and provide liquidity without significantly increasing risk. We do not enter into investments for trading or speculative purposes. Due to the relatively short-term nature of our investment portfolio, changes in interest rates do not have a material effect on the fair value of our portfolio. A hypothetical 100 basis point increase in interest rates would result in a \$19.4 million and \$22.5 million decrease in the market value of our cash equivalents and marketable securities as of March 31, 2025 and December 31, 2024, respectively.

As of March 31, 2025 and December 31, 2024, we had aggregate principal amounts of debt outstanding of \$3.5 billion and \$3.7 billion, respectively. Since our Notes bear interest at fixed rates and are carried at amortized cost, fluctuations in interest rates do not have any impact on our consolidated financial statements. However, the fair value of the Notes will fluctuate with movements in market interest rates, and in the case of the Convertible Notes, with movements of our stock's market price.

Foreign Currency Risk

For all periods presented, our revenue and operating expenses were predominately denominated in U.S. dollars. We therefore have not had material foreign currency risk associated with revenue and cost-based activities. However, due to fluctuations in exchange rates, we have experienced, and may in the future experience, negative impacts to our revenue and operating expenses denominated in currencies other than the U.S. dollar. The functional currency of our material operating entities is the U.S. dollar.

For the periods presented, we believe the exposure to foreign currency fluctuation from revenue and operating expenses is immaterial as the related revenue or costs do not constitute a significant portion of their respective totals. As we grow operations, our exposure to foreign currency risk will likely become more significant.

For the periods presented, we did not enter into any forward foreign currency exchange contracts. We may, however, enter into forward foreign currency exchange contracts for purposes of hedging foreign exchange rate fluctuations on our business operations in future operating periods as our exposures are deemed to be material. For additional discussion on foreign currency risk, see "Risk Factors" elsewhere in this Quarterly Report on Form 10-Q.

Equity Price Risk

We hold equity securities in privately held and publicly traded companies, which are subject to equity price risks that could have a material impact on the carrying value of our holdings.

Our strategic investments in privately held companies primarily consist of equity securities without readily determinable fair values. We adjust the carrying value of these equity securities to fair value upon observable transactions for identical or similar investments of the same issuer or upon impairment. All strategic investments are reviewed periodically for impairment. Our investments in publicly traded equity securities are recorded at fair value using quoted market prices. Uncertainties in the global economic climate and financial markets could adversely impact the valuation of these investments and result in a material impairment or downward adjustment of their carrying values. Our total strategic investments had carrying values of \$176.8 million and \$188.3 million as of March 31, 2025 and December 31, 2024, respectively. Our investments in publicly traded equity securities had carrying values of \$8.2 million and \$12.4 million as of March 31, 2025 and December 31, 2024, respectively.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2025, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in this Quarterly Report on Form 10-Q was (a) reported within the time periods specified by SEC rules and regulations, and (b) communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding any required disclosure.

Changes in Internal Control

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

On November 11, 2021, we, and certain of our officers, were named as defendants in a federal securities class-action lawsuit filed in the U.S. District Court Central District of California. The lawsuit was purportedly brought on behalf of purchasers of our Class A common stock. The lawsuit alleges that we and certain of our officers made false or misleading statements and omissions concerning the impact that Apple's App Tracking Transparency framework would have on our business. Defendants seek monetary damages and other relief. We believe we have meritorious defenses to the lawsuit, and continue to defend it vigorously, but litigation is inherently uncertain and an unfavorable outcome could seriously harm our business.

Beginning on January 20, 2022, we were named as defendants in various federal and state courts by plaintiffs alleging that the design and use of our platform, and those of our competitors, is addictive and harmful to minor users' mental health. The majority of cases have been consolidated in either a federal Multi-District Litigation pending in the U.S. District Court for the Northern District of California, or MDL, or a California Judicial Council Coordinated Proceeding, or JCCP, pending in the Complex Division of the Los Angeles County Superior Court. Numerous school districts and other municipalities have filed public nuisance claims based on similar allegations, which also have been consolidated in either the MDL or JCCP, and we have received similar claims in Canada and Israel. The Nevada Attorney General, New Mexico Attorney General, and Florida Attorney General have also filed lawsuits against us in their respective state courts making similar allegations. We are also subject to government investigations and inquiries from multiple regulators concerning the use of our products and features, and the alleged mental and physical health and safety impacts on teen users in particular. We believe we have meritorious defenses to these lawsuits, and continue to defend them vigorously, but litigation is inherently uncertain and an unfavorable outcome, including substantial fines, could seriously harm our business.

On October 13, 2022, we were named as a defendant in a lawsuit in Los Angeles Superior Court alleging that we should be responsible for the deaths of young people who died from ingesting fatal doses of fentanyl after communicating on Snapchat with drug dealers concerning drug transactions. Other similar lawsuits were filed on behalf of other families, which were coordinated with the first-filed case and assigned to the same judge. On January 2, 2024, the judge granted in part and overruled in part our demurrer to the lawsuit, allowing several of the claims to proceed. We believe we have meritorious defenses to these lawsuits, and plan to continue to defend them vigorously, but litigation is inherently uncertain and an unfavorable outcome could seriously harm our business.

On January 16, 2025, the U.S. Federal Trade Commission referred a complaint against us to the Department of Justice that pertains to our deployment of our My AI feature and the allegedly resulting risks of harm to young users. We believe we have meritorious defenses to any legal proceedings that may arise out of this complaint, and plan to continue to defend them vigorously, but any legal proceedings that may arise out of this complaint are inherently uncertain and an unfavorable outcome could seriously harm our business.

We are currently involved in, and may in the future be involved in, legal proceedings, claims, inquiries, and investigations in the ordinary course of our business, including claims for infringing intellectual property rights related to our products and the content contributed by our users and partners. Although the results of these proceedings, claims, inquiries, and investigations cannot be predicted with certainty, we do not believe that the final outcome of these matters is reasonably likely to have a material adverse effect on our business, financial condition, or results of operations. Regardless of final outcomes, however, any such proceedings, claims, inquiries, and investigations may nonetheless impose a significant burden on management and employees and may come with costly defense costs or unfavorable preliminary and interim rulings.

Item 1A. Risk Factors

You should carefully consider the risks and uncertainties described below, together with all the other information in this Quarterly Report on Form 10-Q, including “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and the related notes. If any of the following risks actually occurs (or if any of those discussed elsewhere in this Quarterly Report on Form 10-Q occurs), our business, reputation, financial condition, results of operations, revenue, and future prospects could be seriously harmed. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business. Unless otherwise indicated, references to our business being seriously harmed in these risk factors will include harm to our business, reputation, financial condition, results of operations, revenue, and future prospects. In that event, the market price of our Class A common stock could decline, and you could lose part or all of your investment.

Risk Factor Summary

Our business is subject to significant risks and uncertainties that make an investment in us speculative and risky. Below we summarize what we believe are the principal risk factors but these risks are not the only ones we face, and you should carefully review and consider the full discussion of our risk factors in the section titled “Risk Factors,” together with the other information in this Quarterly Report on Form 10-Q.

1. Our Strategy and Advertising Business

We operate in a highly competitive and rapidly changing environment so we must continually innovate our products and evolve our business model for us to succeed.

We emphasize rapid innovation and prioritize long-term user engagement over short-term financial conditions or results if we believe that it will benefit the aggregate user experience and improve our financial performance over the long term. Although we have achieved profitability in certain periods, we have a history of operating losses and, as a result of our long-term focus, we may prioritize investments and expenses we believe are necessary for our long-term growth over achieving short-term profitability. Investments in our future, including through new products or acquisitions, are inherently risky and may not pay off, which would adversely affect our ability to settle the principal and interest payments on our Notes or other indebtedness when due, and further delay or hinder our ability to sustain profitability. This in turn would hinder our ability to secure additional financing to meet our current and future financial needs on favorable terms, or at all.

We generate substantially all of our revenue from advertising. Our advertising business is most effective when our advertisers succeed. Driving their success requires continual investment in our advertising products and may be hindered by competitive challenges and various legal, regulatory, and operating system changes that make it more difficult for us to achieve and demonstrate a meaningful return for our advertisers. For example, on-going changes to privacy and data protection laws and mobile operating systems continue to present issues for us in measuring the effectiveness of advertisements on our services. Additionally, individuals are becoming increasingly resistant to the processing of personal data to deliver behavioral, interest-based, or targeted advertisements, and regulators are likewise scrutinizing such data processing activities, which could reduce the demand for our products and services and threaten our primary revenue stream. Alternative methods, to the extent we can develop such methods in compliance with current or future privacy and data protection laws, mobile operating system requirements, and other requirements, may take time to develop and be adopted by our advertisers and users, and may not be as effective as prior methods.

We believe that this impact on our targeting, measurement, and optimization capabilities has negatively affected and may continue to negatively affect our operating results. In addition, our advertising business is seasonal, volatile, and cyclical, which could result in fluctuations in our quarterly revenues and operating results, including the expectations of our business prospects.

Our business and operations have been, and in the future could be, adversely affected by events beyond our control, such as health epidemics and geopolitical events and conflicts. In addition, macroeconomic factors like labor shortages and disruptions, supply chain disruptions, banking instability, tariffs and retaliatory countermeasures, inflation, and fluctuating interest rates have in the past and may continue to cause logistical challenges, increased input costs, and inventory constraints for our advertisers, which in turn may also halt or decrease advertising spending, and harm our business.

2. Our Community and Competition

We need to continually innovate and create new products, and enhance our existing products, to attract, retain, and grow our global community. Products that we create may fail to attract or retain users or partners, or to generate meaningful revenue, if any. In addition, we have and expect to continue to expand organically and through acquisitions, including in international markets, which we may not be able to effectively manage or scale. If our community does not see the value in our products or brand, or if competitors offer better alternatives, our community could easily switch to other services. Although we have experienced significant growth in our community over the last few years, we have also experienced declines and there can be no assurance that declines won't happen again.

Many of our competitors have significantly more resources and larger market shares than we do, which gives them advantages over us that can make it more difficult for us to succeed.

3. Our Partners

We primarily rely on Google, Apple, and Amazon to provide their mobile operating systems and other services for our applications and other core services, including our platform. If these partners do not provide their services as we expect, terminate their services, or change the terms, or their interpretation of the terms, of our agreements, or change the functionality of their mobile operating systems in ways that are adverse to us, our service may be interrupted and our product experience could be degraded, which may harm our reputation, increase our costs, or make it harder for us to attain and sustain profitability. Many other parts of our business depend on partners, including content partners and advertising partners, so our success depends on our ability to attract and retain these partners.

4. Our Technology and Regulation

Our business is complex and success depends on our ability to rapidly innovate, the interoperability of our service on many different smartphones and mobile operating systems, and our ability to safeguard sensitive user data. Because our systems and our products are constantly changing, we are susceptible to data breaches, cyberattacks, security incidents, bugs, and other vulnerabilities and errors in how our products work and are measured. We may also fail to maintain effective processes that report our metrics or financial results. Given the complexity of the systems involved and the rapidly changing nature of mobile devices and operating systems, we expect to encounter issues, particularly if we continue to expand in parts of the world where mobile data systems and connections are less stable.

We are also subject to complex and evolving federal, state, local, and foreign laws and regulations regarding privacy, data protection, biometric processing, content regulation, artificial intelligence, or AI, taxes, and other matters, which are subject to change and have uncertain interpretations. Given the nature of our business, we are particularly susceptible to changes in such laws regarding privacy and data protection, which may require us to change our products and may impact our revenue stream. Any actual or perceived failure to comply with such legal and regulatory obligations, including in connection with our consent decree with the U.S. Federal Trade Commission, or FTC, may lead to costly litigation or otherwise adversely impact our business.

We also must actively protect our intellectual property. We are subject to various legal proceedings, claims, class actions, inquiries, and investigations related to our intellectual property, which may be costly or distract management. We also rely on a variety of statutory and common-law frameworks for the content we provide our users, including the Digital Millennium Copyright Act, the Communications Decency Act, and the fair-use doctrine, each of which has been subject to adverse judicial, political, and regulatory scrutiny in recent times.

5. Our Team and Capital Structure

We need to attract and retain a high caliber team to maintain our competitive position. We may incur significant costs and expenses in maintaining and growing our team, and may lose valuable members of our team as we compete globally, including with our competitors, for key talent. A substantial portion of our employment costs is paid in our common stock, the price of which has been volatile, and our ability to attract and retain talent may be adversely affected if our shares decline in value.

Our two co-founders, who serve as our Chief Executive Officer and Chief Technology Officer, control over 99% of the voting power of our outstanding capital stock, which means they control substantially all outcomes submitted to stockholders. Class A common stockholders have no voting rights, unless required by Delaware law. This concentrated

control may result in our co-founders voting their shares in their best interest, which might not always be in the interest of our stockholders generally.

Risk Factors

Risks Related to Our Business and Industry

Our ecosystem of users, advertisers, and partners depends on the engagement of our user base. Our user base growth rate has declined in the past and it may do so again in the future. If we fail to retain current users or add new users, or if our users engage less with Snapchat, our business would be seriously harmed.

We had 460 million daily active users, or DAUs, on average in the quarter ended March 31, 2025. We view DAUs as a critical measure of our user engagement, and adding, maintaining, and engaging DAUs have been and will continue to be necessary. Our DAUs and DAU growth rate have declined in the past and they may decline in the future due to various factors, including as the size of our active user base increases, as we achieve higher market penetration rates, as we face continued competition for our users and their time, or if there are performance issues with our service. In addition, as we achieve maximum market penetration rates among younger users in developed markets, future growth in DAUs will need to come from older users in those markets or from developing markets, which may not be possible or may be more difficult, expensive, or time-consuming for us to achieve. While we may experience periods when our DAUs increase due to products and services with short-term popularity, we may not always be able to attract new users, retain existing users, or maintain or increase the frequency and duration of their engagement if current or potential new users do not perceive our products to be fun, engaging, or useful. In addition, because our products typically require high bandwidth data capabilities for users to benefit from all of the features and capabilities of our application, many of our users live in countries with high-end mobile device penetration and high bandwidth capacity cellular networks with large coverage areas. We therefore do not expect to experience rapid user growth or engagement in regions with either low smartphone penetration or a lack of well-established and high bandwidth capacity cellular networks. As our DAU growth rate continues to slow or if the number of DAUs becomes stagnant, or we have a decline in DAUs, our financial performance will increasingly depend on our ability to elevate user activity or increase the monetization of our users.

Snapchat is free and easy to join, the barrier to entry for new entrants in our business is low, and the switching costs to another platform are also low. Moreover, the majority of our users are 18-34 years old. This demographic may be less brand loyal and more likely to follow trends, including viral trends, than other demographics. These factors may lead users to switch to another product, which would negatively affect our user retention, growth, and engagement. Snapchat also may not be able to penetrate other demographics in a meaningful manner. Falling user retention, growth, or engagement could make Snapchat less attractive to advertisers and partners, which may seriously harm our business. In addition, we continue to compete with other companies to attract and retain our users' attention. There are many factors that could negatively affect user retention, growth, and engagement, including if:

- users engage more with competing products instead of ours;
- our competitors continue to mimic our products or improve on them;
- we fail to introduce new and exciting products and services or those we introduce or modify are poorly received;
- our products fail to operate effectively or compatibly on the iOS or Android mobile operating systems;
- we are unable to continue to develop products that work with a variety of mobile operating systems, networks, and smartphones;
- we do not provide a compelling user experience because of the decisions we make regarding the type and frequency of advertisements that we display or the structure and design of our products;
- we are unable to combat bad actors, spam, or other hostile or inappropriate usage on our products;
- there are changes in user sentiment about the quality or usefulness of our products in the short-term, long-term, or both;
- there are concerns about the privacy implications, safety, or security of our products and our processing of personal data;
- our content partners do not create content that is engaging, useful, or relevant to users;
- our content partners decide not to renew agreements or devote the resources to create engaging content, or do not provide content exclusively to us;

- advertisers and partners display ads that are untrue, offensive, or otherwise fail to follow our guidelines;
- our products are subject to increased regulatory scrutiny or approvals, including from foreign privacy regulators, or there are changes in our products that are mandated or prompted by legislation, regulatory authorities, executive actions, or litigation, including settlements or consent decrees, that adversely affect the user experience;
- technical or other problems frustrate the user experience or negatively impact users' trust in our service, including by providers that host our platforms, particularly if those problems prevent us from delivering our product experience in a fast and reliable manner, or cyberattacks, breaches, or other security incidents that compromise our sensitive user data;
- we fail to provide adequate service to users, advertisers, or partners;
- we do not provide a compelling user experience to entice users to use the Snapchat application on a daily basis, or our users don't have the ability to make new friends to maximize the user experience;
- we, our partners, or other companies in our industry segment are the subject of adverse media reports or other negative publicity, some of which may be inaccurate or include confidential information that we are unable to correct or retract;
- we do not maintain our brand image or our reputation is damaged; or
- our current or future products reduce user activity on Snapchat by making it easier for our users to interact directly with our partners.

Any decrease to user retention, growth, or engagement could render our products less attractive to users, advertisers, or partners, and would seriously harm our business.

We generate substantially all of our revenue from advertising. The failure to attract new advertisers, the loss of advertisers, or a reduction in how much they spend could seriously harm our business.

Substantially all of our revenue is generated from third parties advertising on Snapchat. For the years ended December 31, 2024, 2023, and 2022, advertising revenue accounted for approximately 91%, 96%, and 99% of our total revenue, respectively. Even though we have introduced other revenue streams, including subscription models, we expect advertising revenue to account for a substantial majority of our revenue in the foreseeable future. Most advertisers do not have long-term advertising commitments with us, and our efforts to establish long-term commitments may not succeed.

Our advertising customers range from small businesses to well-known brands, including advertising resellers. Many of our customers spend a relatively small portion of their overall advertising budget with us, but some customers have devoted meaningful budgets that contribute more significantly to our total revenue. In addition, advertisers may view some of our advertising solutions as experimental and unproven, or prefer certain of our products over others. Advertisers, including our customers who have devoted meaningful advertising budgets to our product, will not continue to do business with us if we do not deliver advertisements in an effective manner, or if they do not believe that their investment in advertising with us will generate a competitive return relative to other alternatives. As our business continues to develop, there may be new or existing customers, including from different geographic regions, that contribute more significantly to our total revenue, and a loss of such customers or a significant reduction in how much they spend with us could adversely impact our business. Any economic or political instability, whether as a result of the macroeconomic climate or the implementation of tariffs and retaliatory countermeasures by the United States or other governments, war or other armed conflict, terrorism, or otherwise, in a specific country or region, may negatively impact the global or local economy, advertising ecosystem, our customers and their budgets with us, or our ability to forecast our advertising revenue, and could seriously harm our business.

Moreover, we rely heavily on our ability to collect, process, and disclose data and metrics to our customers so we can attract new customers and retain existing customers. Any restriction, whether by law, regulation, policy, or other reason, on our ability to collect, process, and disclose data and metrics that our customers find useful would impede our ability to attract and retain advertisers. Regulators in many countries in which we operate or have users are increasingly scrutinizing and regulating the collection, use, and sharing of personal data related to advertising, which could materially impact our revenue and seriously harm our business. Many of these laws and regulations expand the rights of individuals to control how their personal data is collected and processed, and place restrictions on the use of personal data of teens. The processing of personal data for personalized advertising continues to be under increased scrutiny from regulators, which includes ongoing regulatory action against large technology companies like ours, the outcomes of which may be uncertain and subject to appeal. These laws may prohibit us and our customers from advertising to teens, including based on the

profiling of personal data. Other legislative proposals and present laws and regulations currently, and may in the future, apply to our or our advertisers' activities and require significant operational changes to our business. These laws and regulations could have a material impact on the development and deployment of AI and machine learning in the context of our targeted advertising activities. Other laws to which we are or may become subject further regulate contextual, behavioral, interest-based, or targeted advertising, making certain online advertising activities more difficult and subject to additional scrutiny. These laws grant users the right to opt-out of sharing of their personal data for certain advertising purposes, or require parental consent to be obtained for the processing of personal data of users under a certain age and restrict tracking and use of teens' data, including for advertising. Regulators have issued significant monetary fines in certain circumstances where the regulators alleged that appropriate consent was not obtained in connection with targeted advertising activities. In addition, legislative proposals and present laws and regulations in countries where we operate regulate the use of cookies and other tracking technologies, electronic communications, and marketing.

Furthermore, in April 2021, Apple issued an iOS update that imposed heightened restrictions on our access and use of user data by allowing users to more easily opt-out of tracking of activity across devices. Additionally, Google has in the past implemented privacy controls on its Android devices and may in the future make changes to those privacy controls similar to Apple's prior iOS update. The changes implemented by Apple have had, and similar changes, if implemented by Google or major web browsers, like Firefox, Safari, and Chrome, would have an adverse effect on our targeting, measurement, and optimization capabilities, and in turn our ability to target advertisements and measure the effectiveness of advertisements on our services. This has resulted in, and in the future is likely to continue to result in, reduced demand and pricing for our advertising products and could seriously harm our business. The longer-term impact of these changes on the overall mobile advertising ecosystem, our competitors, our business, and the developers, partners, and advertisers within our community remains uncertain, and depending on how we, our competitors, and the overall mobile advertising ecosystem adjusts, and how our partners, advertisers, and users respond, our business could be seriously harmed. Any alternative solutions we implement are subject to rules and standards set by the owners of such mobile operating systems which may be unclear, change, or be interpreted in a manner adverse to us and require us to halt or change our solutions, any of which could seriously harm our business. In addition, if we are unable to mitigate or respond to these and future developments, and alternative solutions do not become widely adopted by our advertisers, then our targeting, measurement, and optimization capabilities will be materially and adversely affected, which would in turn continue to negatively impact our advertising revenue. Our advertising revenue has in the past and could also be seriously harmed by many other factors, including:

- diminished or stagnant growth, or a decline, in the total or regional number of DAUs on Snapchat;
- our inability to deliver advertisements to all of our users due to legal restrictions or hardware, software, or network limitations;
- a decrease in the amount of time spent on Snapchat, a decrease in the amount of content that our users share, or decreases in usage of our Camera, Visual Messaging, Map, Stories, and Spotlight platforms;
- our inability to create new products that sustain or increase the value of our advertisements;
- changes in our user demographics that make us less attractive to advertisers;
- lack of ad creative availability by our advertising partners;
- a decline in our available content, including if our content partners do not renew agreements, devote the resources to create engaging content, or provide content exclusively to us;
- decreases in the perceived quantity, quality, usefulness, or relevance of the content provided by us, our community, or partners;
- decreases in user response rate to application notifications received from Snapchat, whether due to decreased user appreciation for notifications generally or changes in the manner notifications are delivered by mobile operating systems, which may decrease user engagement;
- increases in resistance by users to our collecting, using, and sharing their personal data for advertising-related purposes;
- changes in our analytics and measurement solutions, including what we are permitted to collect and disclose under the terms of Apple's and Google's mobile operating systems, that demonstrate the value of our advertisements and other commercial content;
- competitive developments or advertiser perception of the value of our products that change the rates we can charge for advertising or the volume of advertising on Snapchat;

- product changes or advertising inventory management decisions we may make that change the type, size, frequency, or effectiveness of advertisements displayed on Snapchat or the method used by advertisers to purchase advertisements;
- adverse legal developments relating to advertising, including changes mandated or prompted by legislation, regulation, executive actions, or litigation regarding the collection, use, and sharing of personal data for certain advertising-related purposes;
- adverse media reports or other negative publicity involving us, our founders, our partners, or other companies in our industry;
- advertiser or user perception that content published by us, our users, or our partners is objectionable;
- the degree to which users skip advertisements and therefore diminish the value of those advertisements to advertisers;
- changes in the way advertising is priced or its effectiveness is measured;
- our inability, or perceived inability, to achieve an advertiser's intended performance metric, measure the effectiveness of our advertising, or target the appropriate audience for advertisements, including due to metric estimates published by third parties that may differ from our own metrics;
- our inability to access, collect, and disclose user's personal data, including advertising or similar deterministic identifiers that new and existing advertisers may find useful;
- difficulty and frustration from advertisers who may need to reformat or change their advertisements to comply with our guidelines;
- volatility in the equity and global trade markets, which may reduce our advertisers' capacity or desire for aggressive advertising spending towards growth; and
- the political, economic, and macroeconomic climate and the status of the advertising industry in general, including impacts related to labor shortages and disruptions, supply chain disruptions, banking instability, tariffs and retaliatory countermeasures implemented by the United States or other governments, inflation, fluctuating interest rates, and as a result of war, terrorism, or armed conflict.

Moreover, individuals are also increasingly aware of and resistant to the collection, use, and sharing of personal data, including in connection with advertising. Individuals are more aware of options and certain rights related to consent and other options to opt-out of such data processing, including through media attention about privacy and data protection. Some users have opted out of allowing us to combine certain data from third-party apps and websites with certain data from Snapchat for advertising purposes, which has negatively impacted our ability to collect or use certain user data and our advertising partners' ability to deliver relevant content, all of which have in the past and could again in the future negatively impact our business.

These and other factors could reduce demand for our advertising products, which may lower the prices we receive, or cause advertisers to stop advertising with us altogether. Either of these would seriously harm our business.

Snapchat depends on effectively operating with mobile operating systems, hardware, networks, regulations, and standards that we do not control. Changes in our products or to those mobile operating systems, hardware, networks, regulations, or standards may seriously harm our user retention, growth, and engagement.

Because Snapchat is used primarily on mobile devices, the application must remain interoperable with popular mobile operating systems, primarily Android and iOS, application stores, and related hardware, including mobile-device cameras. The owners and operators of such mobile operating systems and application stores, primarily Google and Apple, each have approval authority over whether to feature our core products on their application stores and make available to consumers third-party products that compete with ours. Furthermore, there is no guarantee that any approval previously provided by such owner or operator will not be rescinded in the future. Additionally, mobile devices and mobile-device cameras are manufactured by a wide array of companies. Those companies have no obligation to test the interoperability of new mobile devices, mobile-device cameras, or related devices with Snapchat, and may produce new products that are incompatible with or not optimal for Snapchat. We have no control over these mobile operating systems, application stores, or hardware, and any changes may degrade our products' functionality, or give preferential treatment to competitive products. For instance, Apple's iOS 18, introduced in September 2024, makes it more difficult for us to access a Snapchatter's contact book, which in turn could make it more difficult for us to connect Snapchatters with their close

friends, potentially reducing engagement on our platform. Because these changes do not apply to Apple's iMessage app, it may put us at a competitive disadvantage. Actions by government authorities may also impact our access to these systems or hardware and could seriously harm Snapchat usage. Our competitors that control the mobile operating systems and related hardware could make interoperability of our products more difficult or display their competitive offerings more prominently than ours. Additionally, our competitors that control the standards for the application stores could make Snapchat, or certain features of Snapchat, inaccessible for a potentially significant period of time or require us to make changes to maintain access. We plan to continue to introduce new products and features regularly, including some features that may only work on the latest systems and hardware, and have experienced that it takes significant time to optimize new products and features to function with the variety of existing mobile operating systems, hardware, and standards, impacting the popularity of such products, and we expect this trend to continue.

Moreover, our products require high-bandwidth data capabilities. If the costs of data usage increase or access to cellular networks is limited, our user retention, growth, and engagement may be seriously harmed. Additionally, to deliver high-quality video and other content over mobile cellular networks, our products must work well with a range of mobile technologies, systems, networks, regulations, and standards that we do not control and which may be subject to future changes. In addition, the proposal or adoption of any laws, regulations, or initiatives that adversely affect the growth, popularity, or use of the internet, including laws governing internet neutrality, could decrease the demand for our products, including by impairing our ability to retain existing users or attract new users, make Snapchat a less attractive alternative to our competitors' applications, and increase our cost of doing business.

We may not successfully cultivate relationships with key industry participants or develop products that operate effectively with these technologies, systems, networks, regulations, or standards. If it becomes more difficult for our users to access and use Snapchat, if our users choose not to access or use Snapchat, or if our users choose to use products that do not offer access to Snapchat, our business and user retention, growth, and engagement could be seriously harmed.

We rely on Google Cloud and Amazon Web Services, or AWS, for the vast majority of our computing, storage, bandwidth, and other services. Any disruption of or interference with our use of either platform would negatively affect our operations and seriously harm our business.

Google and Amazon provide distributed computing infrastructure platforms for business operations, commonly referred to as a "cloud" computing service. We currently run the vast majority of our computing on Google Cloud and AWS and have built our software and computer systems to use computing, storage capabilities, bandwidth, and other services provided by Google Cloud and AWS. Our systems are not fully redundant on the two platforms. Any transition of the cloud services currently provided by either Google Cloud or AWS to the other platform or to another cloud provider would be difficult to implement and would cause us to incur significant time and expense. Given this, any significant disruption of or interference with Google Cloud or AWS, whether temporary, regular, or prolonged, would negatively impact our operations and our business would be seriously harmed. If our users or partners are not able to access Snapchat or specific Snapchat features, or encounter difficulties in doing so, due to issues or disruptions with Google Cloud or AWS, we may lose users, partners, or advertising revenue. The level of service provided by Google Cloud and AWS or similar providers may also impact our users', advertisers', and partners' usage of and satisfaction with Snapchat and could seriously harm our business and reputation if the level of service decreases. Hosting costs also have and will continue to increase as our user base and user engagement grows and may seriously harm our business if we are unable to grow our revenues faster than the cost of utilizing the services of Google Cloud, AWS, or similar providers.

In addition, Google or Amazon may take actions beyond our control that could seriously harm our business, including:

- discontinuing or limiting our access to its cloud platform;
- increasing pricing terms;
- terminating or seeking to terminate our contractual relationship altogether;
- establishing more favorable relationships or pricing terms with one or more of our competitors; or
- modifying or interpreting its terms of service or other policies in a manner that impacts our ability to run our business and operations.

If we are unable to protect our intellectual property, the value of our brand and other intangible assets may be diminished, and our business may be seriously harmed. If we need to license or acquire new intellectual property, we may incur substantial costs.

We aim to protect our confidential proprietary information, in part, by entering into confidentiality agreements and invention assignment agreements with our employees, consultants, advisors, and third parties who access or contribute to our proprietary know-how, information, or technology. We, however, cannot assure you that these agreements will be effective in controlling access to, or preventing unauthorized distribution, use, misuse, misappropriation, reverse engineering, or disclosure of our proprietary information, know-how, and trade secrets. These agreements may be breached, and we may not have adequate remedies for any such breach. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret or know-how can be difficult, expensive, and time-consuming, and the outcome can be unpredictable. Furthermore, these agreements do not prevent our competitors or partners from independently developing offerings that are substantially equivalent or superior to ours.

We also rely on trademark, copyright, patent, trade secret, and domain-name protection laws to protect our proprietary rights. In the United States and internationally, we have filed various applications to protect aspects of our intellectual property, and we currently hold a number of issued patents, trademarks, and copyrights in multiple jurisdictions. In the future, we may acquire additional patents or patent portfolios in the future, which could require significant cash expenditures. However, third parties may knowingly or unknowingly infringe our proprietary rights, third parties may challenge proprietary rights held by us, third parties may design around our proprietary rights or independently develop competing technology, and pending and future trademark, copyright, and patent applications may not be approved. Moreover, we cannot ensure that the claims of any granted patents will be sufficiently broad to protect our technology or platform and provide us with competitive advantages. Additionally, failure to comply with applicable procedural, documentary, fee payment, and other similar requirements could result in abandonment or lapse of the affected patent, trademark, or copyright application or registration.

Moreover, a portion of our intellectual property has been acquired or licensed from one or more third parties. While we have conducted diligence with respect to such acquisitions and licenses, because we did not participate in the development or prosecution of much of the acquired intellectual property, we cannot guarantee that our diligence efforts identified and remedied all issues related to such intellectual property, including potential ownership errors, potential errors during prosecution of such intellectual property, and potential encumbrances that could limit our ability to enforce such intellectual property rights.

Further, the laws of certain foreign countries do not provide the same level of protection of corporate proprietary information and assets such as intellectual property, trade secrets, know-how, and records as the laws of the United States. For instance, the legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection. As a result, we may be exposed to material risks of theft of our proprietary information and other intellectual property, including technical data, manufacturing processes, data sets, or other sensitive information, and we may also encounter significant problems in protecting and defending our intellectual property or proprietary rights abroad. In any of these cases, we may be required to expend significant time and expense to prevent infringement or to enforce our rights. Our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights, and, if such defenses, counterclaims, and countersuits are successful, we could lose valuable intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could impair the functionality of our platform, delay introductions of enhancements to our platform, result in our substituting inferior or more costly technologies into our platform, or harm our reputation and brand. In addition, we may be required to license additional technology from third parties to develop and market new platform features, which may not be on commercially reasonable terms, or at all, and would adversely affect our ability to compete. Although we have taken measures to protect our proprietary rights, there can be no assurance that others will not offer products, brands, content, or concepts that are substantially similar to ours and compete with our business. If we are unable to protect our proprietary rights or prevent unauthorized use or appropriation by third parties, the value of our brand and other intangible assets may be diminished, and competitors may be able to more effectively mimic our service and methods of operations. Any of these events could seriously harm our business.

Our two co-founders have control over all stockholder decisions because they control a substantial majority of our voting stock.

Our two co-founders, Evan Spiegel and Robert Murphy, control over 99% of the voting power of our outstanding capital stock as of March 31, 2025, and Mr. Spiegel alone can exercise voting control over a majority of our outstanding

capital stock. As a result, Mr. Spiegel and Mr. Murphy, or in many instances Mr. Spiegel acting alone, have the ability to control the outcome of all matters submitted to our stockholders for approval, including the election, removal, and replacement of our directors and any merger, consolidation, or sale of all or substantially all of our assets.

If Mr. Spiegel's or Mr. Murphy's employment with us is terminated, they will continue to have the ability to exercise the same significant voting power and potentially control the outcome of all matters submitted to our stockholders for approval. Either of our co-founders' shares of Class C common stock will automatically convert into Class B common stock, on a one-to-one basis, nine months following his death or on the date on which the number of outstanding shares of Class C common stock held by such holder represents less than 30% of the Class C common stock held by such holder on the closing of our IPO, or 32,383,178 shares of Class C common stock. Should either of our co-founders' Class C common stock be converted to Class B common stock, the remaining co-founder will be able to exercise voting control over our outstanding capital stock. Moreover, Mr. Spiegel and Mr. Murphy have entered into a proxy agreement under which each has granted to the other a voting proxy with respect to all shares of our Class B common stock and Class C common stock that each may beneficially own from time to time or have voting control over. The proxy would become effective on either founder's death or disability. Accordingly, on the death or incapacity of either Mr. Spiegel or Mr. Murphy, the other could individually control nearly all of the voting power of our outstanding capital stock.

In addition, in October 2016, we issued a dividend of one share of non-voting Class A common stock to all our equity holders, which will prolong our co-founders' voting control because our co-founders are able to liquidate their holdings of non-voting Class A common stock without diminishing their voting control. Furthermore, in July 2022, our board of directors approved the future declaration and payment of a special dividend of one share of Class A common stock on each outstanding share of Snap's common stock, subject to certain triggering conditions, which triggering conditions were modified in connection with the effectiveness the settlement of a class action lawsuit in February 2024. In the future, our board of directors may, from time to time, decide to issue additional special or regular stock dividends in the form of Class A common stock, and if we do so our co-founders' control could be further prolonged. This concentrated control could delay, defer, or prevent a change of control, merger, consolidation, or sale of all or substantially all of our assets that our other stockholders support. Conversely, this concentrated control could allow our co-founders to consummate such a transaction that our other stockholders do not support. In addition, our co-founders may make long-term strategic investment decisions for the company and take risks that may not be successful and may seriously harm our business.

As our Chief Executive Officer, Mr. Spiegel has control over our day-to-day management and the implementation of major strategic investments of our company, subject to authorization and oversight by our board of directors. As board members and officers, Mr. Spiegel and Mr. Murphy owe a fiduciary duty to our stockholders and must act in good faith in a manner they reasonably believe to be in the best interests of our stockholders. As stockholders, even controlling stockholders, Mr. Spiegel and Mr. Murphy are entitled to vote their shares, and shares over which they have voting control, in their own interests, which may not always be in the interests of our stockholders generally. We have not elected to take advantage of the "controlled company" exemption to the corporate governance rules for companies listed on the New York Stock Exchange, or NYSE.

Macroeconomic uncertainties, including labor shortages and disruptions, supply chain disruptions, banking instability, tariffs and retaliatory countermeasures, inflation, fluctuating interest rates, and recession risks, have in the past and may continue to adversely impact our business.

Global economic and business activities have in the past and may continue to face widespread macroeconomic uncertainties, including labor shortages and disruptions, supply chain disruptions, banking instability, tariffs and retaliatory countermeasures, inflation, fluctuating interest rates, and recession risks, which may continue for an extended period, and some of which have adversely impacted, and may continue to adversely impact, many aspects of our business. For example, tariffs recently imposed by the United States, continued threats of new or increased tariffs, sanctions, trade restrictions and trade barriers, and ongoing changes in the United States and foreign government trade policies, including potential modifications to existing trade agreements, have created volatility in the global capital markets, have had and may continue to have a generally disruptive impact on the global economy, and could have further global economic consequences, including disruptions of the global supply chain.

As some of our advertisers experienced downturns or uncertainty in their own business operations and revenue, they halted or decreased or may halt, decrease, or continue to decrease, temporarily or permanently, their advertising spending or may focus their advertising spending more on other platforms, all of which may result in decreased advertising revenue. Labor shortages and disruptions, supply chain disruptions, tariffs and retaliatory countermeasures, banking

instability, inflation, and fluctuating interest rates, have in the past and may continue to cause logistical challenges, increased input costs, inventory constraints, and liquidity uncertainty for our advertisers, which in turn may also halt or decrease advertising spending and may make it difficult to forecast our advertising revenue. Any decline in advertising revenue or the collectability of our receivables could seriously harm our business.

As a result of macroeconomic uncertainties, our partners and community who provide content or services to us may experience delays or interruptions in their ability to create content or provide services, if they are able to do so at all. Members of our community may also alter their usage of our products and services, particularly relative to prior periods when travel restrictions were in place. A decrease in the amount or quality of content available on Snapchat, or an interruption in the services provided to us, could lead to a decline in user engagement, which could seriously harm our business.

To the extent that macroeconomic uncertainties continue to impact our business, many of the other risks described in these risk factors may be exacerbated.

Exposure to geo-political conflicts and events could put our employees and partners at substantial risk, interrupt our operations, increase costs, create additional regulatory burdens, and have significant negative macroeconomic effects, any of which could seriously harm our business.

Significant geo-political conflicts and events have had, and will likely continue to have, a substantial effect on our business and operations. We have had, and will likely continue to have, team members and their families in impacted regions who face substantial personal risk, unprecedented disruption of their lives, and uncertainty as to the future. We have provided emergency assistance and support to these team members and their families, and we expect to continue this support in the future. In addition, we have offices, hardware, and other assets in impacted regions that may be at risk of destruction or theft. We have incurred, and will likely continue to incur, costs to support our team members and reorganize our operations to address these ongoing challenges. In addition, our management has spent significant time and attention on these and related events. The ongoing disruptions to our team members, our management, and our operations could seriously harm our business.

Generally, during times of war and other major conflicts, we, the third parties on which we rely, and our partners are vulnerable to a heightened risk of cyberattacks, including retaliatory cyberattacks, that could seriously disrupt our business. We have experienced, and may continue to experience, attempted cyberattacks on our products, systems, and networks, which we believe are related to conflicts. We may also face retaliatory attacks by governments, entities, or individuals who do not agree with our public expressions with regards to any conflicts or support for team members. Any such attack could cause disruption to our platform, systems, and networks, result in security breaches or data loss, damage our brand, or reduce demand for our services or advertising products. In addition, we may face significant costs (including legal and litigation costs) to prevent, correct, or remediate any such breaches. We may also be forced to expend additional resources monitoring our platform for evidence of disinformation or misuse in connection with the ongoing conflict.

Geo-political conflicts and events are inherently unpredictable, evolve quickly, and may have negative long-term impacts. On a macroeconomic level, geo-political conflicts may disrupt trade, intensify problems in the global supply chain, and contribute to inflationary pressures. All of these factors may negatively impact the demand for advertising as companies face limited product availability, restricted sales opportunities, and condensed margins. Any pause or reduction in advertising spending in connection with geo-political conflicts or events could negatively impact our revenue and harm our business.

If we do not develop successful new products or improve existing ones, our business will suffer. We may also invest in new lines of business that could fail to attract or retain users or generate revenue.

Our ability to engage, retain, and increase our user base and to increase our revenue will depend heavily on our ability to successfully create new products, both independently and together with third parties. We may introduce significant changes to, or discontinue, our existing products or develop and introduce new and unproven products and services, including technologies with which we have little or no prior development or operating experience. These new products and updates may fail to increase the engagement of our users, advertisers, or partners, may subject us to increased regulatory requirements or scrutiny, and may even result in short-term or long-term decreases in such engagement by disrupting existing user, advertiser, or partner behavior or by introducing performance and quality issues. For example, in January 2023, we made changes to our advertising platform, which we believe will lay the foundation for future growth, but which have been disruptive to our customers and how some of them utilized our platform. The short- and long-term

impact of any major change, or even a less significant change such as a refresh of the application or a feature change, is difficult to predict. Although we believe that these decisions will benefit the aggregate user experience and improve our financial performance over the long term, we may experience disruptions or declines in our DAUs or user activity broadly or concentrated on certain portions of our application. Product innovation is inherently volatile, and if new or enhanced products fail to engage our users, advertisers, or partners, or if we fail to give our users meaningful reasons to return to our application, we may fail to attract or retain users or to generate sufficient revenue, operating margin, or other value to justify our investments, any of which may seriously harm our business in the short-term, long-term, or both.

Because our products created new ways of communicating, they have often required users to learn new behaviors to use our products, or to use our products repeatedly to receive the most benefit. These new behaviors, such as swiping and tapping in the Snapchat application, are not always intuitive to users. This can create a lag in adoption of new products and new user additions related to new products. We believe this has not hindered our user growth or engagement, but that may be the result of a large portion of our user base being in a younger demographic and more willing to invest the time to learn to use our products most effectively. To the extent that future users, including those in older demographics, are less willing to invest the time to learn to use our products, and if we are unable to make our products easier to learn to use, our user growth or engagement could be affected, and our business could be harmed. We may also develop new products or initiatives that increase user engagement and costs without increasing revenue in the short- or long-term.

In addition, we have invested, and expect to continue to invest, in new lines of business, new products, evolving the user experience, and other initiatives to increase our user base and user activity, and attempt to monetize the platform. For example, in 2022, we launched Snapchat+, a subscription product that gives subscribers access to exclusive, experimental, and pre-release features, and Snapchat for Web, a browser-based product that brings Snapchat's signature capabilities to the web, in 2023, we launched My AI, an artificial intelligence powered chatbot, and in 2024, we began testing Simple Snapchat, a new and simplified version of our service. Such new lines of business, new products, evolving user experiences, and other initiatives may be costly, difficult to operate and monetize, increase regulatory scrutiny and product liability and litigation risk, and divert management's attention, and there is no guarantee that they will be positively received by our community, attract or retain users, generate sufficient revenue or operating margin, or provide positive returns on our investment. For example, Simple Snapchat offers several new features, such as reducing the number of tabs in the application and creating a unified content feed. Although we believe these changes will create an improved user experience, we are still testing and do not know how users or advertisers will adapt or respond to these changes, and whether these changes will ultimately improve our business. Any adverse response to these changes by users or advertisers could seriously harm our business. We frequently launch new products and the products that we launch may have technical issues that diminish the performance of our application, experience product failures, or become subject to product recalls. These performance issues or issues that we encounter in the future could impact our user engagement. In addition, new products or features that we launch may ultimately prove unsuccessful or no longer fit with our priorities, and may be eliminated in the future. Such eliminations may require us to reduce our workforce and incur significant expenses. In certain cases, new products that we develop may require regulatory approval prior to launch or may require us to comply with additional regulations or legislation, including laws that are rapidly changing. There is no guarantee that we will be able to obtain such regulatory approval, and our efforts to comply with these laws and regulations could be costly and divert management's time and effort and may still not guarantee compliance. If we do not successfully develop new approaches to monetization or meet the expectations of our users or partners, we may not be able to maintain or grow our revenue as anticipated or recover any associated development costs, and our business could be seriously harmed.

If our efforts to attract prospective subscribers to Snapchat+, retain existing subscribers, and effectively continue to monetize Snapchat+ and other non-advertising products and services are not successful, our revenue will be adversely affected.

Our ability to generate non-advertising revenue depends on retaining, expanding, and effectively monetizing our total user base, including by increasing the number of subscribers to Snapchat+ and finding ways to monetize our other products and services. We must convince prospective subscribers of the benefits of Snapchat+ and our existing subscribers of the continuing value of Snapchat+. Our ability to attract new subscribers, retain existing subscribers, and engage active subscribers depends in large part on our ability to continue to maintain, improve, and introduce new features available on Snapchat+. We may in the future adjust our subscription pricing and plans which may not be well-received by our community and could negatively impact our ability to attract and retain subscribers or generate revenue. If we fail to offer compelling product offerings with competitive pricing that users perceive to be of value, our ability to grow or sustain the reach of Snapchat+, attract and retain subscribers, and monetize our products and services may be adversely affected. In

addition, our efforts to create other non-advertising revenue products and services may not be successful and may materially impact our business.

Our business is highly competitive. We face significant competition that we anticipate will continue to intensify. If we are not able to maintain or improve our market share, our business could suffer.

We face significant competition in almost every aspect of our business both domestically and internationally, especially because our products and services operate across a broad list of categories, including camera, visual messaging, content, and augmented reality. Our competitors range from smaller or newer companies to larger, more established companies such as Alphabet (including Google and YouTube), Apple, ByteDance (including TikTok), Kakao, LINE, Meta (including Facebook, Instagram, Threads, and WhatsApp), Naver (including Snow), Pinterest, Tencent, and X (formerly Twitter). Our competitors also include platforms that offer, or will offer, a variety of products, services, content, and online advertising offerings that compete or may compete with Snapchat features or offerings. For example, Instagram, a competing application owned by Meta, has incorporated many of our features, including a “stories” feature that largely mimics our Stories feature and may be directly competitive. Meta has introduced, and likely will continue to introduce, more private ephemeral products into its various platforms which mimic other aspects of Snapchat’s core use case. We also compete for users and their time, so we may lose users or their attention not only to companies that offer products and services that specifically compete with Snapchat features or offerings, but to companies with products or services that target or otherwise appeal to certain demographics, such as Discord or Roblox. Moreover, in emerging international markets, where mobile devices often lack large storage capabilities, we may compete with other applications for the limited space available on a user’s mobile device. We also face competition from traditional and online media businesses for advertising budgets. We compete broadly with the products and services of Alphabet, Apple, ByteDance, Meta, Pinterest, and X (formerly Twitter), and with other, largely regional, social media platforms that have strong positions in particular countries. As we introduce new products, as our existing products evolve, or as other companies introduce new products and services, we may become subject to additional competition.

Many of our current and potential competitors have significantly greater resources and broader global recognition, and occupy stronger competitive positions in certain market segments, than we do. These factors may allow our competitors to respond to new or emerging technologies and changes in market requirements better than we can, undertake more far-reaching and successful product development efforts or marketing campaigns, or adopt more aggressive pricing policies. In addition, ongoing changes to privacy and data protection laws and mobile operating systems have made it more difficult for us to target and measure advertisements effectively, and advertisers may prioritize the solutions of larger, more established companies. As a result, our competitors may, and in some cases will, acquire and engage users or generate advertising or other revenue at the expense of our own efforts, which would negatively affect our business. Advertisers may use information that our users share through Snapchat to develop or work with competitors to develop products or features that compete with us. Certain competitors, including Alphabet, Apple, and Meta, could use strong or dominant positions in one or more market segments to gain competitive advantages against us in areas where we operate, including by:

- integrating competing social media platforms or features into products they control such as search engines, web browsers, artificial intelligence services, advertising networks, or mobile operating systems;
- making acquisitions for similar or complementary products or services; or
- impeding Snapchat’s accessibility and usability by modifying existing hardware and software on which the Snapchat application operates.

Certain acquisitions by our competitors may result in reduced functionality of our products and services, provide our competitors with valuable insight into the performance of our and our partners’ businesses, and provide our competitors with a pipeline of future acquisitions to maintain a dominant position. As a result, our competitors may acquire and engage users at the expense of our user base, growth, or engagement, which may seriously harm our business.

We believe that our ability to compete effectively depends on many factors, many of which are beyond our control, including:

- the usefulness, novelty, performance, and reliability of our products compared to our competitors’ products;
- the number and demographics of our DAUs;
- the timing and market acceptance of our products, including developments and enhancements of our competitors’ products;

- our ability to monetize our products and services, including new products and services;
- the availability of our products to users;
- the effectiveness of our advertising and sales teams;
- the effectiveness of our advertising products;
- our ability to establish and maintain advertisers' and partners' interest in using Snapchat;
- the frequency, relative prominence, and type of advertisements displayed on our application or by our competitors;
- the effectiveness of our customer service and support efforts;
- the effectiveness of our marketing activities;
- actual or proposed legislation, regulation, executive actions, or litigation, including settlements and consent decrees, some of which may have a disproportionate effect on us;
- acquisitions or consolidation within our industry segment;
- our ability to attract, retain, and motivate talented team members, particularly engineers, designers, and sales personnel;
- our ability to successfully acquire and integrate companies and assets;
- the security, or perceived security, of our products and data protection measures compared to our competitors' products;
- our ability to cost-effectively manage and scale our operations; and
- our reputation and brand strength relative to our competitors.

If we cannot effectively compete, our user engagement may decrease, which could make us less attractive to users, advertisers, and partners and seriously harm our business.

We have incurred operating losses in the past, and may not be able to attain and sustain profitability.

We began commercial operations in 2011 and we have historically experienced net losses and negative cash flows from operations. As of March 31, 2025, we had an accumulated deficit of \$13.1 billion and for the three months ended March 31, 2025, we had a net loss of \$139.6 million. We expect our operating expenses to increase in the future as we expand our operations. We may incur significant losses in the future for many reasons, including due to the other risks and uncertainties described in this report. Additionally, we may encounter unforeseen expenses, operating delays, or other unknown factors that may result in losses in future periods. If our revenue does not grow at a greater rate than our expenses, our business may be seriously harmed and we may not be able to attain and sustain profitability.

The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could seriously harm our business.

We depend on the continued services and performance of our key personnel, including Mr. Spiegel and Mr. Murphy. Although we have entered into employment agreements with Mr. Spiegel and Mr. Murphy, the agreements are at-will, which means that they may resign or could be terminated for any reason at any time. Mr. Spiegel and Mr. Murphy are high profile individuals who have received threats in the past and are likely to continue to receive threats in the future. Mr. Spiegel, as Chief Executive Officer, has been responsible for our company's strategic vision and Mr. Murphy, as Chief Technology Officer, developed the Snapchat application's technical foundation. Should either of them stop working for us for any reason, it is unlikely that the other co-founder would be able to fulfill all of the responsibilities of the departing co-founder nor is it likely that we would be able to immediately find a suitable replacement. The loss of key personnel, including members of management and key engineering, product development, marketing, and sales personnel, could disrupt our operations, adversely impact employee retention and morale, and seriously harm our business.

We cannot guarantee we will continue to attract and retain the personnel we need to maintain our competitive position. We face significant competition in hiring and attracting qualified engineers, designers, and sales personnel, and the change by companies to offer a remote or hybrid work environment may increase the competition for such employees from employers outside of our traditional office locations. In February 2023, we implemented our return to office plan that

requires greater in-office attendance. While we intend to continue offering flexible work arrangements based on the different needs of teams across our company on a case-by-case basis, we may face difficulty in hiring and retaining our workforce as a result of this shift to have greater in-office attendance. Further, labor is subject to external factors that are beyond our control, including our industry's highly competitive market for skilled workers and leaders, inflation, fluctuating interest rates, other macroeconomic uncertainties, and workforce participation rates. In addition, if our reputation were to be harmed, whether as a result of our strategic decisions or media, legislative, or regulatory scrutiny or otherwise, it could make it more difficult to attract and retain personnel that are critical to the success of our business. Recently, there has also been increased scrutiny of companies' human capital practices and initiatives. Negative perception of certain of these practices and initiatives, whether due to our perceived over- or under-pursuit of such initiatives, may result in issues hiring or retaining employees, as well as potential litigation or other adverse impacts.

As we continue to adapt and update our business model and priorities, or if our stock price declines, our equity awards may not be as effective an incentive to attract, retain, and motivate team members. Stock price declines may also cause us to offer additional equity awards to our existing team members to aid in retention. Furthermore, if we issue significant equity to attract and retain team members, we would incur substantial additional stock-based compensation expense and the ownership of our existing stockholders would be further diluted. If we do not succeed in attracting, hiring, and integrating excellent personnel, or retaining and motivating existing personnel, we may be unable to grow or effectively manage our business and our business could be seriously harmed.

We have a continually evolving business model, which makes it difficult to evaluate our prospects and future financial results and increases the risk that we will not be successful.

We began commercial operations in 2011, began meaningfully monetizing Snapchat in 2015, and we launched Snapchat+, a paid subscription product, in 2022. We have a continually evolving business model, which makes it difficult to effectively assess our future prospects. Accordingly, we believe that investors' future perceptions and expectations, which can be idiosyncratic and vary widely, and which we do not control, will affect our stock price. For example, investors may believe our timing and path to increased monetization will be faster or more effective than our current plans or than actually takes place. You should consider our business and prospects in light of the many challenges we face, including the ones discussed in this report.

If the security of our information technology systems or data is compromised or if our platform is subjected to cyber or other attacks that compromise user or partner accounts or frustrate or thwart our users', partners', or advertisers' ability to access our products and services, our reputation and business could be seriously harmed.

In the ordinary course of business, we collect, store, use, and share personal data and other sensitive information, including proprietary and confidential business data, trade secrets, third-party sensitive information, and intellectual property (collectively, sensitive information). Our efforts to protect our sensitive information, including information that our users, advertisers, and partners have shared with us, may be unsuccessful due to the actions of third parties, including traditional "black hat" hackers, nation states, nation-state supported groups, organized criminal enterprises, hackers, and our personnel and contractors (through theft, misuse, or other risk). We and the third parties on which we rely are subject to a variety of evolving threats, including social-engineering attacks (for example by fraudulently inducing employees, users, or advertisers to disclose information to gain access to our sensitive information, including data or our users' or advertisers' data, such as through the use of deep fakes, which may be increasingly more difficult to identify as fake), malware, malicious code, hacking, credential stuffing, denial of service, and other threats, including attacks enhanced or facilitated by artificial intelligence. While certain of these threats have occurred in the past, they have become more prevalent and sophisticated in our industry, and may occur in the future. Because of our prominence and value of our sensitive information, we believe that we are an attractive target for these sorts of attacks.

In particular, severe cyber extortion incidents, including ransomware attacks, are becoming increasingly prevalent. To alleviate the financial, operational, and reputational impact of these incidents, it may be preferable to make extortion payments, but we may be unwilling or unable to do so, including, for example, if applicable laws or regulations prohibit such payments. And, even if we make such payments, cyber threat actors may still disclose data, engage in further extortion, or otherwise harm our systems or data. Moreover, for certain employees we permit a hybrid work environment, which has increased risks to our information technology systems and data, as our employees utilize network connections, computers, and devices outside our premises or network, including working at home, while in transit and in public locations.

In addition, cyber threat actors have also increased the complexity of their attempts to compromise user and advertiser accounts, despite our defenses and detection mechanisms designed to prevent these account takeovers. User credentials may be obtained on- or off-platform, including through breaches of third-party platforms and services, password stealing malware, social engineering, or other tactics and techniques like credential harvesting, and used to launch individual, group, or coordinated enterprise-wide attacks. Some of these attacks may be hard to detect, including if they are at scale, and may result in cyber threat actors using our service to spam or abuse other users, access personal data, further compromise additional accounts, or engage in fraudulent advertising. Some of these attacks could also compromise employee credentials or involve socially engineering employees into granting access to systems or otherwise enabling or assisting in the cyber threat actors' goals. Because of our global and varied user base, we may also be the target of commercial exploits and other internal and external attack methodologies by commercial spyware vendors, nation states, or nation-state supported groups, which have targeted users and the data we process about them and sought to use insiders to obtain user or employee data at peer technology companies.

We rely on third parties and technologies to operate critical business systems to process sensitive information in a variety of contexts, including cloud-based infrastructure, data center facilities, AI, encryption and authentication technology, employee email, content delivery, and other functions. We also rely on third parties to provide other products or services to operate our business or enable features in our platform. Additionally, some advertisers and partners store sensitive information that we share with them. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place despite their contractual representations to implement such measures and our third-party provider vetting process. If these third parties fail to implement adequate data security practices or fail to comply with our terms, policies, or contractual obligations, our sensitive information may be compromised, and we may experience adverse consequences. And even if these third parties implement data security practices and comply with various obligations, their networks may still suffer a breach, which could compromise our sensitive information. We or our third-party providers may also experience failures or malfunctions of hardware or software, the loss of technology assets, or the loss of data that, while not caused by threat actors, may have a similar impact and risk to our business. While we may be entitled to damages if the third parties on whom we rely fail to satisfy their privacy or security-related obligations to us, or cause the loss of our data or prolonged downtime, any award may be insufficient to cover our damages, or we may be unable to recover such award.

Moreover, our products and services, and the internal systems that support them and our business, rely on software, hardware, and other systems developed or maintained by our engineering teams and third parties (including open source software), and all of these have contained and will contain vulnerabilities, errors, bugs, or defects, which may or may not be detected by our teams or the respective third parties prior to our or their release, usage, or reliance on them. Supply chain attacks have also increased in frequency and severity, and we cannot guarantee that third parties in our supply chain have not been compromised or that their systems, networks, or code are free from exploitable vulnerabilities, errors, bugs, or defects. We take steps designed to detect and remediate vulnerabilities in our software, hardware, and information systems (including that of third parties upon which we rely), and we work with security researchers through our bug bounty program and our third party providers to help us identify vulnerabilities. We and our third party providers may not, however, detect, become aware of, and remediate all such vulnerabilities, or other bugs, errors, or defects, including on a timely basis, and there is no guarantee security researchers will disclose all vulnerabilities they become aware of or do so responsibly. Further, we and our third party providers may experience delays in developing or deploying remedial measures and patches designed to address identified vulnerabilities, bugs, errors, and defects. These could be exploited and result in a security or privacy incident, cause us to fail in our commitments to our users, advertisers, or partners, or cause a breach of or disruption of our platform, systems, networks, products, or services.

While we have implemented security measures designed to protect against cyberattacks and other security incidents, there can be no assurance that these measures will be effective. If any of these or similar events occur, our or our third-party partners' sensitive information and information technology systems could be accessed, acquired, modified, destroyed, lost, altered, encrypted, or disclosed in an unauthorized, unlawful, accidental, or other improper manner, resulting in a security incident or other interruption. It may be difficult and costly to detect, investigate, mitigate, contain, and remediate a security incident. Our efforts to do so may not be successful. Actions taken by us or the third parties with whom we work to detect, investigate, mitigate, contain, and remediate a security incident could result in outages, data losses, and disruptions of our business. Threat actors may also gain access to other networks and systems after a compromise of our networks and systems.

We have and may continue to expend significant resources or modify our business activities to adopt additional measures designed to protect against cyberattacks and other security incidents. Certain data privacy and security

obligations may require us to implement and maintain specific security measures or industry-standard or reasonable security measures to protect our systems and sensitive information.

We have in the past experienced, and may in the future experience, actual and attempted cyberattacks and other security incidents that impact the confidentiality, availability, or integrity of sensitive information, including as a result of insider threats, employee error, vendor breaches, and other causes. Any cyberattack or other security incident experienced by us or our third-party partners could damage our reputation and our brand, and diminish our competitive position. Applicable privacy and security obligations may require us, or we may choose, to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents, or take other actions. Such disclosures and related actions are costly and the failure to comply with applicable legal requirements could lead to adverse consequences. Governments and regulatory agencies (including the Securities and Exchange Commission, or the SEC) have and may continue to enact new disclosure requirements for cybersecurity events. In addition, affected users or government authorities could initiate legal or regulatory action against us, including class-action claims, mass arbitration demands, investigations, penalties, and audits, which could be time-consuming and cause us to incur significant expense and liability or result in orders or consent decrees forcing us to modify our business practices. We could also experience loss of user or advertiser confidence in the security of our platform, additional reporting requirements or oversight, restrictions on processing sensitive information, claims by our partners or other relevant parties that we have failed to comply with contractual obligations or our policies, and indemnification obligations. We could also spend material resources to investigate or correct the incident and to prevent future incidents. Maintaining the trust of our users is important to sustain our growth, retention, and user engagement. Concerns over our privacy and security practices, whether actual or unfounded, could damage our reputation and brand and deter users, advertisers, and partners from using our products and services. Any of these occurrences could seriously harm our business.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. We cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position.

Our user metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may seriously harm and negatively affect our reputation and our business.

We regularly review and share metrics, including our DAUs and ARPU metrics, with our investors, advertisers, and partners to evaluate growth trends, measure our performance, and make strategic decisions. These metrics are calculated using internal company data gathered on an analytics platform that we developed and operate and our methodologies have not in all instances been validated by an independent third party. In addition, we may change the way we measure and report metrics from time to time in connection with changes to our products, making comparisons to prior periods more difficult. While these metrics are based on what we believe to be reasonable estimates for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations globally that may require significant judgment and are subject to technical errors. For example, there may be individuals who attempt to create accounts for malicious purposes, including at scale, even though we forbid that in our Terms of Service and Community Guidelines. We implement measures in our user registration process and through other technical measures to prevent, detect, and suppress that behavior, although we have not determined the number of such accounts, or the effectiveness of such measures. Our user metrics are also affected by technology on certain mobile devices that automatically runs in the background of our Snapchat application when another phone function is used, and this activity can cause our system to miscount the user metrics associated with such account.

Some of our demographic data may be incomplete or inaccurate. For example, because users self-report their dates of birth, our age-demographic data may differ from our users' actual ages. And because users who signed up for Snapchat before June 2013 were not asked to supply their date of birth, we may exclude those users from age demographics or estimate their ages based on a sample of the self-reported ages we do have. If our users provide us with incorrect or incomplete information regarding their age or other attributes, then our estimates may prove inaccurate and fail to meet investor or advertiser expectations. In addition, our estimates for revenue by user location may also be affected by data limitations and other challenges in measuring user locations. Our data regarding the geographic location of our users is

estimated based on a number of factors, such as the user's IP address. If a user utilizes a proxy server or if there are other data limitations, we may not be able to accurately reflect the user's actual location.

Errors or inaccuracies in our metrics or data could also result in incorrect business decisions and inefficiencies. For instance, if a significant understatement or overstatement of active users were to occur, we may expend resources to implement unnecessary business measures or fail to take required actions to attract a sufficient number of users to satisfy our growth strategies. We count a DAU when a user visits Snapchat through our applications or websites, and only once per user per day. We have multiple pipelines of user data that we use to determine whether a user has visited Snapchat through our applications or websites during a particular day. This provides redundancy in the event one pipeline of data were to become unavailable for technical reasons, and also gives us redundant data to help measure how users interact with our application. However, we believe that we do not capture all data regarding our active users, which has in the past and may in the future result in understated metrics. This generally occurs because of technical issues, for instance when our systems do not record data from a user's application or when a user opens the Snapchat application and contacts our servers but is not recorded as an active user. We continually seek to address these technical issues and improve our measurement processes and accuracy, such as comparing our active users and other metrics with data received from other pipelines, including data recorded by our servers and systems. But given the complexity of the systems involved and the rapidly changing nature of mobile devices and systems, we expect these issues to continue, particularly if we continue to expand in parts of the world where mobile data systems and connections are less stable. If we fail to maintain an effective analytics platform, our metrics calculations may be inaccurate. We regularly review, have adjusted in the past, and are likely to adjust in the future our processes for calculating our internal metrics to improve their accuracy. As a result of such adjustments, our DAUs or other metrics may not be comparable to those in prior periods. Our measures of DAU and other metrics may also differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology, data used, data limitations, or other challenges in measuring large online and mobile populations. If advertisers, partners, or investors do not perceive our user, geographic, other demographic metrics, or measurements of advertising effectiveness to be accurate, or if we discover material inaccuracies in our metrics, our reputation may be seriously harmed. Our advertisers and partners may also be less willing to allocate their budgets or resources to Snapchat, which could seriously harm our business. In addition, we calculate average DAUs for a particular quarter by adding the number of DAUs on each day of that quarter and dividing that sum by the number of days in that quarter. This calculation may mask any individual days or months within the quarter that are significantly higher or lower than the quarterly average.

Improper or illegal use of Snapchat could seriously harm our business and reputation.

We cannot be certain that the technologies that we have developed to repel spamming attacks will be able to eliminate all spam messages from our products. Spammers attempt to use our products to send targeted and untargeted spam messages to users, which may embarrass, offend, threaten, or annoy users and make our products less user friendly. Our actions to combat spam may also divert significant time and focus from improving our products. As a result of spamming activities, our users may use our products less or stop using them altogether, and result in continuing operational cost to us.

Similarly, terrorists, criminals, and other bad actors may use our products to promote their goals and encourage users to engage in terror and other illegal activities discussed in our Transparency Report. We expect that as more people use our products, these bad actors will increasingly seek to misuse our products. Although we invest resources to combat these activities, including by suspending or terminating accounts we believe are violating our Terms of Service and Community Guidelines, we expect these bad actors will continue to seek ways to act inappropriately and illegally on Snapchat. Maintaining a safe platform, including by combating these bad actors, requires us to incur costs, which may be significant. In addition, we may not be able to control or stop Snapchat from becoming the preferred application of use by these bad actors, which may seriously harm our reputation or lead to lawsuits or attention from regulators. If these activities continue on Snapchat, our reputation, user growth and user engagement, and operational cost structure could be seriously harmed.

Because we store, process, and use data, some of which contains personal data, we are subject to complex and evolving federal, state, local and foreign laws, regulations, executive actions, rules, contractual obligations, policies, and other obligations regarding privacy, data protection, content regulation, and other matters. Many of these obligations are subject to change and to uncertain interpretation, and our actual or perceived failure to comply with such obligations could result in investigations, claims (including class actions), mass arbitration demands, changes to our business

practices, increased cost of operations, and declines in user growth, retention, or engagement, or other adverse consequences, any of which could seriously harm our business.

In the ordinary course of business, we collect, store, use, and share personal data and other sensitive information, including proprietary and confidential business data, trade secrets, third-party sensitive information, and intellectual property. Accordingly, we are subject to a variety of laws, regulations, industry standards, policies, contractual requirements, executive actions, and other obligations relating to privacy, security, and data protection. We also are and may in the future be subject to many federal, state, local, and foreign laws and regulations, including those related to privacy, rights of publicity, content, data protection, AI, intellectual property, health and safety, competition, protection of minors, consumer protection, employment, money transmission, import and export restrictions, gift cards, electronic funds transfers, anti-money laundering, advertising, algorithms, encryption, and taxation.

Under certain of these laws, we could face temporary or definitive bans on data processing and other corrective actions, substantial monetary fines, or private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized to represent their interests. The transfer of personal data continues to be under increased regulatory attention and scrutiny, and certain jurisdictions in which we operate have significantly limited the lawful basis on which personal data can be transferred to other jurisdictions, enacted data export and localization requirements, and increased the assessments required to do so. We have attempted to structure our operations, and the cross-border transfer mechanisms we rely on, in a manner designed to help us partially avoid some of these concerns. Some of these mechanisms are, or may in the future be, subject to legal challenges, and there is no assurance that we can satisfy or rely on these mechanisms to lawfully transfer personal data in the future. If there is no lawful manner for us to transfer personal data, or if the requirements for a legally compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors, and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Regulators may seek to restrict our data processing activities if they believe we have violated cross-border data transfer limitations, which would seriously harm our business. Additionally, companies like us that transfer personal data between jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups.

Legislation in certain of the countries in which we operate has imposed extensive obligations, and potential monetary fines, on entities like us that are categorized in various contexts as online service providers (including, as the case may be, social media platforms, electronic communications providers, or other similar categorizations) who enable the sharing of user-generated content, to identify, mitigate, and manage the risks of harm to users from illegal and harmful content, such as terrorism, child sexual exploitation and abuse, and harassment or stalking. In addition, the privacy of teens' personal data collected online, and use of commercial websites, applications, online services, or other interactive platforms, generally, are also becoming increasingly scrutinized. Regulations focused on online safety and protection of teens' privacy online have and may in the future require us to materially change our services and incur costs to do so. Moreover, various laws to restrict or govern the use of commercial websites, applications, online services, or other interactive platforms by teens have passed or have been proposed, including laws prohibiting certain teen age groups from accessing online services, including social media, restricting advertising to teens, requiring age verification, requiring default safeguards and imposing an express or implied duty of care, requiring warning labels, limiting the use of minors' personal data, and requiring parental consent or providing for other parental controls or rights. These laws may be, or in some cases already have been, subject to legal challenges and changing interpretations, which may further complicate our efforts to comply with laws applicable to us. These new laws may result in restrictions on the use of certain of our products or services by teens, the inability to offer certain products and services to teens, decrease DAUs or user engagement in those jurisdictions, require changes to our products and services to achieve compliance, require us to use and incur the costs of certain age assurance and verified parental consent providers, decrease our advertising and subscription revenue, and increase legal risk and compliance costs for us and our third-party partners, any of which could seriously harm our business. These laws also allow for substantial statutory fines for noncompliance and, in some instances, provide for civil penalties and a private right of action for violations, which may increase the likelihood and cost of regulatory actions and litigation under these laws, and could seriously harm our business.

Laws and regulations focused on privacy, security, and data protection, including data breach notification laws, personal data privacy laws, consumer protection laws, wiretapping laws, invasion of privacy laws, and other similar laws have imposed obligations on companies that collect personal data from users, including providing specific disclosures in privacy notices, expanding the requirements for handling personal data, requiring consents to process personal data in certain circumstances, and affording residents with certain rights concerning their personal data. Such rights include the right to access, correct, or delete certain personal data, appeal the denial of a right, and to opt-out of or limit certain data

processing activities, such as targeted advertising, profiling, and artificial intelligence, including automated decision-making. The exercise of these rights impact our business and ability to provide our products and services, and our inability or failure to obtain consent or otherwise identify a lawful basis for data processing that is acceptable to a regulator, where required, could result in adverse consequences, including class-action litigation, regulatory enforcement, and mass arbitration demands. Certain of these laws also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments.

Additionally, several jurisdictions in which we operate have enacted statutes banning or restricting the collection of biometric information. Certain of these laws provide for substantial penalties and statutory damages and have generated significant class-action activity. Although we maintain the position that our technologies do not collect any biometric information that is used to identify individuals, we have in the past, and may in the future, settle these disputes to avoid potentially costly litigation and have in certain instances made changes to our products in an abundance of caution.

Privacy advocates and industry groups have proposed, and may propose in the future, standards with which we are legally or contractually obligated to comply. Moreover, we are also bound by contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful. We also publish privacy policies, marketing materials, and other statements regarding data privacy and security, including statements relied on by our users, advertisers, and business partners. If these policies, materials, or statements are found to be deficient, lacking in transparency, deceptive, unfair, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators, or other adverse consequences, including class-action litigation or mass arbitration demands.

The implementation and enforcement, including through private rights of action, of these increasingly complex, onerous, or divergent laws and regulations, and the introduction, interpretation, or revision of any new such laws or regulations, with respect to privacy, security, data protection, and our industry are uncertain and may further complicate compliance efforts, lead to fragmentation of the service, increase legal risk and compliance costs for us and our third-party partners, or decrease the perceived usefulness of our service to our users and advertisers. For example, some federal privacy laws are currently being challenged, and litigation in this space could impact the privacy rights of our community, including modifying the ability of third parties (such as government agencies and civil litigants) to obtain private communications between users, which in turn may negatively impact users' experience, trust, and satisfaction and decrease their engagement with our products. Many of these obligations are becoming increasingly stringent and subject to rapid change and uncertain interpretation. Preparing for and complying with these obligations requires us to devote significant resources, and there is no guarantee that our compliance efforts to date, or in the future, will be deemed compliant or sufficient. These obligations may necessitate changes to our products and services, information technologies, systems, and practices and to those of any third parties that process personal data on our behalf. In addition, these obligations may require us to change our business model. Our business model materially depends on our ability to process personal data in connection with our advertising offerings, so we are particularly exposed to the risks associated with the rapidly changing legal landscape regarding privacy, security, and data protection. For example, privacy regulators have targeted us and some of our competitors, including by investigating data processing activities and in the past have issued large fines to our competitors. Such enforcement actions may cause us to revise our business plans and operations. Moreover, we believe a number of investigations into other technology companies are currently being conducted by federal, state, and foreign legislative and regulatory bodies. We therefore are at heightened risk of regulatory scrutiny, as regulators focus their attention on data processing activities of companies like us, and any changes in the regulatory framework or enforcement actions, whether against us or our competitors, could require us to fundamentally change our business model, and seriously harm our business.

We may at times fail, or be perceived to have failed, in our efforts to comply with our privacy, security, and data protection obligations. Moreover, despite our efforts, our personnel or third parties on whom we rely may fail to comply with such obligations, which could negatively impact our business operations. If we or the third parties on which we rely fail, or are perceived to have failed, to address or comply with applicable privacy, security, or data protection obligations, we could face significant consequences, including government enforcement actions (such as investigations, claims, audits, and penalties), litigation (including class-action litigation) and mass arbitration demands, additional reporting requirements or oversight, bans on processing personal data, negative publicity, and orders to destroy or not use or transfer personal data. Certain regulators may prohibit our use of certain personal data as a result of enforcement actions or similar proceedings. Plaintiffs have become increasingly more active in bringing privacy-related claims against companies, including class claims and mass arbitration demands. Some of these claims allow for the recovery of statutory damages on a per violation basis, and, if viable, carry the potential for monumental statutory damages, depending on the volume of data and the number of violations. Any of these events could have a material adverse effect on our business, including loss of users and

advertisers, inability to process personal data or operate in certain jurisdictions, changes to our business practices, increased cost of operations, and declines in user growth, retention, or engagement, any of which could seriously harm our business.

We have in the past been subject to enforcement actions, investigations, proceedings, orders, or various government inquiries regarding our data privacy and security practices and processing. For example, in December 2014, the FTC resolved an investigation into some of our early practices by issuing a final order. That order requires, among other things, that we establish a robust privacy program to govern how we treat user data. During the 20-year term of the order, we must complete biennial independent privacy audits. The FTC has continued to review our practices and in January 2025, announced the referral of a complaint to the Department of Justice, or DOJ, pertaining to our deployment of our My AI feature and the allegedly resulting risk of harm to young users. While we believe we have meritorious defenses to any legal proceedings that may arise out of this complaint, we will continue to cooperate with regulatory authorities. Any enforcement action related to this matter, or any violation of existing or future regulatory orders or consent decrees could subject us to substantial monetary fines and other penalties that could seriously harm our business.

We use AI, including generative AI, in consumer-facing features of our products and services and in the operation of our business, which may result in legal liability and privacy and security risks which may adversely impact our business.

We use AI, including generative AI, in consumer-facing features of our products and services, such as My AI, and in the operation of our business. The development, deployment, training, use, safety, and personal data processing of AI presents various AI, privacy, and security risks that impact our business.

AI development, deployment, training, use, safety, and personal data processing is subject to new and evolving privacy and data security laws, as well as increasing AI laws and review by various governmental and regulatory agencies. We are, have been, and could in the future be subject to regulatory inquiries relating to the use and operation of AI. While such regulatory inquiries have not adversely impacted our business to date, given the current unsettled nature of the legal and regulatory environment surrounding AI, our or our partners' AI development, deployment, training, use, safety, and personal data processing of AI could subject us to further regulatory inquiries or actions, which could result in product restrictions, fines and penalties, equitable remedies such as requirements to retrain or disgorge our AI, as well as litigation and reputational harm, any of which could seriously harm our business and require us to expend significant resources. Such consequences, if imposed, may also make it harder for us to use AI in our product and services, or internally in our business operations, which could seriously harm our business. Furthermore, certain enacted and proposed regulations related to AI could impose onerous obligations on our business, products, and services, including restrictions on or transparency obligations with respect to the training and use of AI-related systems, and obligations relating to labeling and provenance of AI-generated content. If applicable, such obligations may, and in the case of the EU AI Act will, require us to change our products or business practices in order to comply. Individuals are also increasingly aware of and resistant to the use of their personal data in AI systems and for AI training, which could limit our ability to develop, deploy, train, and ensure the safety of our AI products and services, and if we fail to provide adequate transparency to users, we could lose the trust of our users, be subject to litigation or regulatory enforcement, or other harms to our business. Additionally, if our AI products fail to perform as intended, or produce outputs that are harmful, misleading, inaccurate, or biased, in addition to the risks above, our business may be harmed.

Our financial condition and results of operations will fluctuate from quarter to quarter, which makes them difficult to predict.

Our quarterly results of operations have fluctuated in the past and will fluctuate in the future. Additionally, we have a limited operating history with the current scale of our business, which makes it difficult to forecast our future results. As a result, you should not rely on our past quarterly results of operations as indicators of future performance. You should take into account the risks and uncertainties frequently encountered by companies in rapidly evolving market segments. Our financial condition and results of operations in any given quarter can be influenced by numerous factors, many of which we are unable to predict or are outside of our control, including:

- our ability to maintain and grow our user base and user engagement;
- the development and introduction of new or redesigned products or services by us or our competitors;
- the ability of our cloud service providers to scale effectively and timely provide the necessary technical infrastructure to offer our service;
- our ability to attract and retain advertisers in a particular period;

- seasonal or other fluctuations in spending by our advertisers and product usage by our users, each of which may change as our product offerings evolve or as our business grows or as a result of unpredictable events such as labor shortages and disruptions, supply chain disruptions, banking instability, inflationary pressures, fluctuating interest rates, or geo-political conflicts;
- restructuring or other charges and unexpected costs or other operating expenses;
- the number of advertisements shown to users;
- the pricing of our advertisements and other products;
- the effectiveness, and our ability to demonstrate to advertisers the effectiveness, of our advertisements;
- the diversification and growth of revenue sources beyond current advertising;
- increases in marketing, sales, research and development, and other operating expenses that we may incur to grow and expand our operations and to remain competitive;
- our ability to maintain operating margins, cash provided by operating activities, and Free Cash Flow;
- our ability to accurately forecast consumer demand for our physical products and adequately manage inventory;
- system failures or security incidents, and the costs associated with such incidents and remediations;
- inaccessibility of Snapchat, or certain features within Snapchat, due to third-party or governmental actions;
- stock-based compensation expense;
- our ability to effectively incentivize our workforce;
- adverse litigation judgments, settlements, or other litigation-related costs, or product recalls;
- changes in the legislative or regulatory environment, including with respect to privacy, rights of publicity, content, data protection, intellectual property, communication, health and safety, competition, protection of minors, consumer protection, employment, money transmission, import and export restrictions, gift cards, electronic funds transfers, anti-money laundering, advertising, algorithms, encryption, and taxation, enforcement by government regulators, including fines, orders, sanctions, tariffs and retaliatory countermeasures, or consent decrees, or the issuance of executive orders or other similar executive actions that may adversely affect our revenues or restrict our business;
- new privacy, data protection, and security laws and other obligations and increased regulatory scrutiny on our or our competitors' data processing activities and privacy and information security practices, including through enforcement actions potentially resulting in large penalties or other severe sanctions and increased restrictions on the data processing activities and personal data transfers critical to the operation of our current business model;
- fluctuations in currency exchange rates and changes in the proportion of our revenue and expenses denominated in foreign currencies;
- fluctuations in the market values of our portfolio investments and interest rates or impairments of any assets on our consolidated balance sheet;
- changes in our effective tax rate;
- announcements by competitors of significant new products, licenses, or acquisitions;
- our ability to make accurate accounting estimates and appropriately recognize revenue for our products;
- our ability to meet minimum spending commitments in agreements with our infrastructure providers;
- changes in accounting standards, policies, guidance, interpretations, or principles;
- the effect of war or other armed conflict on our workforce, operations, or the global economy; and
- changes in domestic and global business or macroeconomic conditions, including as a result of inflationary pressures, fluctuating interest rates, banking instability, geo-political conflicts, tariffs and retaliatory countermeasures, terrorism, or responses to these events.

If we are unable to continue to maintain or successfully grow our user base and further monetize our products, our business will suffer.

We have made, and are continuing to make, investments to enable users, partners, and advertisers to create compelling content and deliver advertising to our users. Existing and prospective Snapchat users and advertisers may not be successful in creating content that leads to and maintains user engagement. We are continuously seeking to balance the objectives of our users and advertisers with our desire to provide an optimal user experience. We do not seek to monetize all of our products nor do we solely focus our efforts on users with higher ARPU, and we may not be successful in achieving a balance that continues to attract and retain users and advertisers. We focus on growing engagement across our service, and from time to time our efforts may reduce user activity with certain monetizable products in favor of other products we do not currently monetize. If we are not successful in our efforts to grow or effectively and timely monetize our user base, or if we are unable to build and maintain good relations with our advertisers, our user growth and user engagement and our business may be seriously harmed. In addition, we may expend significant resources to launch new products that we are unable to monetize, which may seriously harm our business.

Additionally, we may not succeed in further monetizing Snapchat. We currently primarily monetize Snapchat by displaying advertisements sold by us and our partners. As a result, our financial performance and ability to grow revenue could be seriously harmed if:

- we fail to increase or maintain DAUs, especially in regions where we have higher monetization;
- our user growth outpaces our ability to monetize our users, including if we don't attract sufficient advertisers or if our user growth occurs in markets that are not as monetizable;
- we fail to increase or maintain the amount of time spent on Snapchat, the amount of content that our users share, or the usage of our Camera, Visual Messaging, Map, Stories, and Spotlight platforms;
- partners and users do not create sufficient engaging content for users or partners do not renew their agreements with us;
- we fail to attract sufficient advertisers to utilize our self-serve platform to make the best use of our advertising inventory;
- advertisers do not continue to introduce engaging advertisements;
- advertisers reduce their advertising on Snapchat;
- we fail to maintain good relationships with advertisers or attract new advertisers, or demonstrate to advertisers the effectiveness of advertising on Snapchat;
- the content on Snapchat does not maintain or gain popularity; or
- we fail to attract prospective subscribers to Snapchat+, retain existing subscribers, or effectively continue to monetize Snapchat+ and other products and services.

We cannot assure you that we will effectively manage our growth or changes to our business.

The growth and expansion of our business, headcount, and products create significant challenges for our management, including managing multiple relationships with users, advertisers, partners, and other third parties, and constrain operational and financial resources. If our operations or the number of third-party relationships continues to grow, our information-technology systems and our internal controls and procedures may not adequately support our operations and may require significant investments of time and capital to improve. In addition, some members of our management do not have significant experience managing large global business operations, so our management may not be able to manage such growth effectively. To effectively manage our growth, we must continue to improve our operational, financial, and management processes and systems and effectively expand, train, and manage our employee base. However, the actions we take to achieve such improvements may not have the intended effect and may instead result in disruptions, delays in new products, employee turnover, declines in revenue, and other adverse effects.

As we continue to adapt and update our business model and priorities and we are required to implement more complex organizational management structures, we may also find it increasingly difficult to maintain the benefits of our corporate culture, including our ability to quickly develop and launch new and innovative products. This could negatively affect our business performance and seriously harm our business.

We periodically make changes to our business and priorities. For example, in the first quarter of 2024, we undertook a restructuring of our business to focus on our top priorities, improve cost efficiencies, and drive toward profitability and positive free cash flow. As we continue to adapt and update our business model and priorities, we may make additional restructurings, reprioritizations, or workforce reductions in the future. Any such changes could disrupt our operations, increase costs, make it harder to service our users or customers, adversely impact employee retention, hiring, and morale, negatively impact our reputation, or distract management, any of which could seriously harm our business.

Our costs may increase faster than our revenue, which could seriously harm our business or increase our losses.

Providing our products to our users is costly, and we expect our expenses, including those related to people, research and development, and hosting, to grow in the future. This expense growth will continue as we broaden our user base, as users increase the number of connections and amount of content they consume and share, as we develop and implement new product features that require more computing infrastructure or products that are not revenue generating, and as we grow our business. Historically, our costs have increased each year due to these factors, and we expect to continue to incur increasing costs. Our costs are based on development and release of new products and the addition of users and may not be offset by a corresponding growth in our revenue. We will continue to invest in our global infrastructure to provide our products quickly and reliably to all users around the world, including in countries where we do not expect significant short-term monetization, if any. Our expenses may be greater than we anticipate, and our investments to make our business and our technical infrastructure more efficient may not succeed and may outpace monetization efforts. In addition, we expect to increase marketing, sales, and other operating expenses, such as legal and insurance expenses, to grow and expand our operations, remain competitive, and respond to increasing litigation and regulatory matters. Increases in our costs without a corresponding increase in our revenue would increase our losses and could seriously harm our business and financial performance.

Our business depends on our ability to maintain and scale our technology infrastructure. Any significant disruption to our service could damage our reputation, result in a potential loss of users and decrease in user engagement, and seriously harm our business.

Our reputation and ability to attract, retain, and serve users depends on the reliable performance of Snapchat and our underlying technology infrastructure. We have in the past experienced, and may in the future experience, interruptions in the availability or performance of our products and services from time to time. Our systems may not be adequately designed with the necessary reliability and redundancy to avoid performance delays or outages caused by us or other service providers that could seriously harm our business. If Snapchat is unavailable when users attempt to access it, or if it does not load as quickly as they expect, users may not return to Snapchat as often in the future, or at all. As our user base and the volume and types of information shared on Snapchat grow, we will need an increasing amount of technology infrastructure, including network capacity and computing power, to continue to satisfy our users' needs which could significantly increase our costs. It is possible that we may fail to effectively scale and grow our technology infrastructure to accommodate these increased demands, or that improving our current technology infrastructure will require significant resources and delay or hinder the development of other products or services. In addition, our business is subject to interruptions, delays, and failures resulting from earthquakes, other natural disasters, geo-political conflicts, terrorism, pandemics, and other catastrophic events. Global climate change could also result in natural disasters occurring more frequently or with more intense effects, which could cause business interruptions. Wars or other armed conflicts could damage or diminish our access to our technology infrastructure or regional networks and disrupt our services, which could seriously harm our business and financial performance.

As discussed in these risk factors, substantially all of our network infrastructure is provided by third parties, including Google Cloud and AWS. We also rely on third parties for other technology related services, including certain AI functions. Any disruption or failure in the services we receive from these providers could harm our ability to handle existing or increased traffic and could seriously harm our business. Any financial or other difficulties these providers face may seriously harm our business. And because we exercise little control over these providers, we are vulnerable to problems with the services they provide and increases in the costs of these services.

We periodically augment and enhance our financial systems and we may experience difficulties in managing our systems and processes, which could disrupt our operations, the management of our finances, and the reporting of our financial results, which in turn, may result in our inability to manage the growth of our business and to accurately forecast and report our results, each of which could seriously harm our business.

Our business emphasizes rapid innovation and prioritizes long-term user engagement over short-term financial condition or results of operations. That strategy may yield results that sometimes don't align with the market's expectations. If that happens, our stock price may be negatively affected.

Our business is growing and becoming more complex, and our success depends on our ability to quickly develop and launch new and innovative products. We believe our culture fosters this goal. Our focus on innovations and quick reactions could result in unintended outcomes or decisions that are poorly received by our users, advertisers, or partners. We have made, and expect to continue to make, significant investments to develop and launch new products and services and we cannot assure you that users will purchase or use such new products and services in the future. We will also continue to attempt to find effective ways to show our community new and existing products and alert them to events, holidays, relevant content, and meaningful opportunities to connect with their friends. These methods may provide temporary increases in engagement that may ultimately fail to attract and retain users. Our culture also prioritizes our long-term user engagement over short-term financial condition or results of operations. We frequently make decisions that may reduce our short-term revenue or profitability if we believe that the decisions benefit the aggregate user experience and improve our financial performance over the long term. For example, we monitor how advertising on Snapchat affects our users' experiences to attempt to ensure we do not deliver too many advertisements to our users, and we may decide to decrease the number of advertisements to increase our users' satisfaction in the product. In addition, we improve Snapchat based on feedback provided by our users, advertisers, and partners. These decisions may not produce the long-term benefits that we expect, in which case our user growth, retention and engagement on our service or on certain platforms, our relationships with advertisers and partners, and our business could be seriously harmed.

Some of our software and systems contain open source software, which may pose particular risks to our proprietary applications.

We use software licensed to us by third-party developers under "open source" licenses in connection with the development or deployment of our products and expect to continue to use open source software in the future. Some open source licenses contain express requirements or impose conditions, which may be triggered under certain circumstances, with respect to the exploitation of proprietary source code or other intellectual property by users of open source software. While we employ practices designed to monitor our compliance with the licenses of third-party open source software and to avoid using the open source software in a manner that would put our valuable proprietary source code at risk, there is a risk that we could have used, or may in the future use, open source software in a manner which could require us to release our proprietary source code to users of our software or to the public, require us to license our proprietary software for purposes of making modifications or derivative works, or prohibit us from charging fees for the use of our proprietary software. This could result in loss of revenue, and allow our competitors to create similar offerings with lower development costs, and ultimately could result in a loss of our competitive advantages. Furthermore, there is an increasing number of open source software license types, almost none of which have been tested in a court of law, resulting in guidance regarding the proper legal interpretation of such licenses and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to provide or distribute our products. If we were to receive a claim of non-compliance with the terms of any of our open source licenses, we may be required to publicly release certain portions of our proprietary source code or expend substantial time and resources to re-engineer some or all of our software, which may divert resources away from our product development efforts and, as a result, adversely affect our business. In addition, we could be required to seek licenses from third parties to continue offering our products for certain uses, or cease offering the products associated with such software, which may be costly.

In addition, our use of open source software may present greater risks than use of other third-party commercial software, as open source licensors generally do not provide support, warranties, indemnification or other contractual protections regarding infringement claims or the quality of the code. To the extent that our e-commerce capabilities and other business operations depend on the successful and secure operation of open source software, any undetected or unremediated vulnerabilities, errors, or defects in open source software that we use could prevent the deployment or impair the functionality of our systems and injure our reputation. In addition, the public availability of such software may make it easier for others to compromise our systems. Any of these risks could be difficult to eliminate or manage and, if not addressed, could have an adverse effect on our business.

If our users do not continue to contribute content or their contributions are not perceived as valuable to other users, we may experience a decline in user growth, retention, and engagement on Snapchat, which could result in the loss of advertisers and revenue.

Our success depends on our ability to provide Snapchat users with engaging content, which in part depends on the content contributed by our users. If users, including influential users such as world leaders, government officials,

celebrities, athletes, journalists, sports teams, media outlets, and brands, do not continue to contribute engaging content to Snapchat, our user growth, retention, and engagement may decline. That, in turn, may impair our ability to maintain good relationships with our advertisers or attract new advertisers, which may seriously harm our business.

Differing government initiatives and restrictions in regions in which our products and services are offered could seriously harm our business.

Foreign data protection, privacy, consumer protection, content regulation, and other laws and regulations are often more restrictive than those in the United States. In addition, federal, state, and local governments in the United States have taken increasingly divergent approaches to legislating, regulating, and taking enforcement action with respect to technologies that are related to our products and services, including considering or passing laws and regulations that are different than those applicable to other regions in the United States. Foreign governments may censor Snapchat in their countries, restrict access to Snapchat from their countries entirely, impose age-based restrictions on access to Snapchat, impose other restrictions that may affect their citizens' ability to access Snapchat for an extended period of time or even indefinitely, require data localization, or impose other laws or regulations that we cannot comply with, would be difficult for us to comply with, or would require us to rebuild our products or the infrastructure for our products. Federal, state, or local governments in the United States have taken and may continue to take similar steps. Such restrictions may also be implemented or lifted selectively to target or benefit other companies or products, which may result in sudden or unexpected fluctuations in competition in regions where we operate. In addition, geo-political conflicts may cause countries to target and restrict our operations, or to promote other companies' products in place of ours. Any restriction on access to Snapchat due to government actions or initiatives, or any withdrawal by us from certain countries or regions because of such actions or initiatives, or any increased competition due to actions and initiatives of governments would adversely affect our DAUs, including by giving our competitors an opportunity to penetrate geographic markets that we cannot access or to which they previously did not have access. As a result, our user growth, retention, and engagement may be seriously harmed, and we may not be able to maintain or grow our revenue as anticipated and our business could be seriously harmed.

Our users may increasingly engage directly with our partners and advertisers instead of through Snapchat, which may negatively affect our revenue and seriously harm our business.

Using our products, some partners and advertisers not only can interact directly with our users but can also direct our users to content on third-party websites or downloads of third-party applications. In addition, our users may generate content by using Snapchat features, but then share, use, or post the content on a different platform. The more our users engage with third-party websites and applications, the less engagement we may get from them, which would adversely affect the revenue we could earn from them. Although we believe that Snapchat reaps significant long-term benefits from increased user engagement with content on Snapchat provided by our partners, these benefits may not offset the possible loss of advertising revenue, in which case our business could be seriously harmed.

If events occur that damage our brand or reputation, our business may be seriously harmed.

We have developed a brand that we believe has contributed to our success. We also believe that maintaining and enhancing our brand is critical to expanding our user base, advertisers, and partners. Because many of our users join Snapchat on the invitation or recommendation of a friend or family member, one of our primary focuses is on ensuring that our users continue to view Snapchat and our brand favorably so that these referrals continue. Maintaining and enhancing our brand will depend largely on our ability to continue to provide useful, novel, fun, reliable, trustworthy, and innovative products, which we may not do successfully. We may introduce new products, make changes to existing products and services, or require our users to agree to new terms of service related to new and existing products that users do not like, which may negatively affect our brand in the short-term, long-term, or both. Additionally, our partners' actions may affect our brand if users do not appreciate what those partners do on Snapchat. We may also fail to adequately support the needs of our users, advertisers, or partners, which could erode confidence in our brand. Maintaining and enhancing our brand may require us to make substantial investments and these investments may not be successful. If we fail to successfully promote and maintain our brand or if we incur excessive expenses in this effort, our business may be seriously harmed.

In the past, we have experienced, and we expect that we will continue to experience, media, legislative, and regulatory scrutiny. Negative public perception regarding us (including regarding our privacy or security practices, products, corporate viewpoints, illicit use of our products, litigation, or employee matters, or regarding the actions of our founders, our partners, our users, or other companies in our industry) or unfavorable legislative, litigation, or regulatory actions could seriously harm our reputation and brand, and result in decreased revenue, fewer application installs (or

increased application un-installs), or declining engagement or growth rates. For example, new laws may increase the minimum age at which individuals are able to access our products or require parental consent for the use of our products. In addition, parental or general public perception of our industry or Snapchat in particular could adversely affect the size, demographics, engagement, and loyalty of our user base, any of which could seriously harm our business.

Expanding and operating in international markets requires significant resources and management attention. If we are not successful in expanding and operating our business in international markets, we may incur significant costs, damage our brand, or need to lay off team members in those markets, any of which may seriously harm our business.

We have expanded to new international markets and are growing our operations in existing international markets, which may have very different cultures and commercial, legal, and regulatory systems than where we predominantly operate. In connection with our international expansion and growth, we also hire new team members in many of these markets. This international expansion may:

- impede our ability to continuously monitor the performance of all of our team members;
- result in hiring of team members who may not yet fully understand our business, products, and culture; or
- cause us to expand in markets that may lack the culture and infrastructure needed to adopt our products.

These issues may eventually lead to turnover or layoffs of team members in these markets and may harm our ability to grow our business in these markets. In addition, scaling our business to international markets imposes complexity on our business, and requires additional financial, legal, and management resources. We may not be able to manage growth and expansion effectively, which could damage our brand, result in significant costs, and seriously harm our business. For example, in recent years we undertook a broad strategic reprioritization to focus on our top priorities, improve cost efficiencies, and drive toward profitability and positive free cash flow. As we continue to adapt and update our business model and priorities, we may make additional restructurings, reprioritizations, or workforce reductions in the future. Any such changes could disrupt our operations, increase costs, make it harder to service our users or customers, adversely impact employee retention, hiring and morale, negatively impact our reputation, or distract management, any of which could seriously harm our business.

Additionally, because we have team members internationally, we are exposed to political, social, and economic instability in additional countries and regions.

Our products are highly technical and may contain undetected software vulnerabilities, bugs, hardware errors, or defects, which could manifest in ways that could seriously harm our reputation and our business.

Our products are highly technical and complex. Snapchat, our other products, or products we may introduce in the future, may contain undetected software bugs, hardware errors, and other vulnerabilities. These bugs and errors can manifest in any number of ways in our products, including through diminished performance, security or privacy vulnerabilities, malfunctions, or even permanently disabled products. We have a practice of updating our products, but some errors in our products may be discovered only after a product has been released or shipped and used by users, and may in some cases be detected only under certain circumstances or after extended use. Any errors, bugs, or vulnerabilities discovered in our products or code (particularly after release) could damage our reputation, result in a security or privacy incident (and attendant consequences), drive away users, lower revenue, and expose us to litigation claims or regulatory investigations or enforcement actions, any of which could seriously harm our business. We may also experience delays in developing and deploying remedial measures and patches designed to address identified vulnerabilities.

Spectacles, as an eyewear product, is regulated by the U.S. Food and Drug Administration, or the FDA, and may malfunction in a way that results in physical harm to a user or others around the user. We offer a limited one-year warranty in the United States and a limited two-year warranty in Europe, and any such defects discovered in our products after commercial release could result in a loss of sales and users, which could seriously harm our business. Moreover, certain jurisdictions in which we operate require manufacturers of connected devices to comply with legal and contractual obligations that govern the way data generated by such connected devices is shared and used. If we are unable to comply with these requirements in a timely manner, or if we face technical difficulties in the implementation of some requirements, we could become subject to investigations and enforcement actions, which could require additional financial and management resources.

We may face claims for product liability, tort, or breach of warranty, or experience product recalls. For example, in the first quarter of 2024, we voluntarily decided to recall our Pixy drone product and refund consumers after determining

that, in a very small number of cases, the batteries overheated. The product had been discontinued in August 2022. Our product contracts with users contain provisions relating to warranty disclaimers and liability limitations, which may not be upheld. In addition, our liability insurance coverage may prove inadequate or future coverage may be unavailable on acceptable terms or at all. The occurrence of any of these events could increase our costs, divert management attention, and seriously harm our reputation and our business.

We have been, are currently, and may in the future be subject to regulatory inquiries, investigations, and proceedings which could cause us to incur substantial costs or require us to change our business practices in a way that could seriously harm our business.

We have been, are currently, and may in the future be subject to inquiries, investigations, and proceedings instituted by government entities on a variety of topics, including data privacy, AI, safety, law enforcement, consumer protection, civil rights, content moderation, and the use of our platform for illegal purposes. We regularly report information about our business to federal, state, and foreign regulators in the ordinary course of operations and have, and may in the future, receive additional requests for information regarding our business practices. These actions, including any potential unfavorable outcomes, and our compliance with any associated regulatory orders, consent decrees, or settlements, may require us to change our products, product offerings and features, policies or practices, subject us to substantial monetary fines or other penalties or sanctions, result in increased operating costs, divert management's attention, harm our reputation, and require us to incur significant legal and other expenses, any of which could seriously harm our business. For example, in January 2025, the FTC referred a complaint against us to the DOJ that pertains to our deployment of our My AI feature and the allegedly resulting risk of harm to young users. While we believe we have meritorious defenses to any legal proceedings that may arise out of this complaint, we will continue to cooperate with regulatory authorities. Any enforcement action related to this matter, or any violation of existing or future regulatory orders or consent decrees could subject us to substantial monetary fines and other penalties that could seriously harm our business.

We are currently, and expect to be in the future, party to patent lawsuits and other intellectual property claims that are expensive and time-consuming. If resolved adversely, these lawsuits and claims could seriously harm our business.

Companies in the mobile, camera, communication, media, internet, artificial intelligence, augmented reality, and other technology-related industries own large numbers of patents, copyrights, trademarks, trade secrets, and other intellectual property rights, and frequently enter into litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights. In addition, various "non-practicing entities" and other entities that own patents, copyrights, trademarks, trade secrets, and other intellectual property rights often attempt to aggressively assert their rights to extract value from technology companies. Furthermore, from time to time we may introduce new products or make other business changes, including in areas where we currently do not compete, which could increase our exposure to patent, copyright, trademark, trade secret, and other intellectual property rights claims from competitors and non-practicing entities. We have been subject to, and expect to continue to be subject to, claims and legal proceedings from holders of patents, trademarks, copyrights, trade secrets, and other intellectual property rights alleging that some of our products or content infringe their rights. An unfavorable outcome in any of these lawsuits could seriously harm our business. If these or other matters continue in the future or we need to enter into licensing arrangements, which may not be available to us or on terms favorable to us, it may increase our costs and decrease the value of our products, and our business could be seriously harmed. If a third party does not offer us a license to its intellectual property on commercially reasonable terms, or at all, we may be required to develop, acquire or license alternative, non-infringing technology, which could require significant time, effort, and expense, and may ultimately not be successful. Any of these events would adversely affect our business.

Moreover, we may not be aware if our platform is infringing, misappropriating, or otherwise violating third-party intellectual property rights, and third parties may bring claims alleging such infringement, misappropriation, or violation. Because patent applications can take years to issue and are often afforded confidentiality for some period of time, there may currently be pending applications, unknown to us, that later result in issued patents that could cover one or more of our products and there is also a risk that we could adopt a technology without knowledge of a pending patent application, which technology would infringe a third-party patent once that patent is issued. Moreover, the law continues to evolve and be applied and interpreted by courts in novel ways that we may not be able to adequately anticipate, and such changes may subject us to additional claims and liabilities. In a patent infringement claim against us, we may assert, as a defense, that we do not infringe the relevant patent claims, that the patent is invalid or both. The strength of our defenses will depend on the patents asserted, the interpretation of these patents and our ability to invalidate the asserted patents. However, we could be unsuccessful in advancing non-infringement or invalidity arguments in our defense. In the United States, issued patents enjoy a presumption of validity, and the party challenging the validity of a patent claim must present clear and convincing evidence of invalidity, which is a high burden of proof. Conversely, the patent owner need only prove infringement by a

preponderance of the evidence, which is a lower burden of proof. Intellectual property claims, whether or not successful, could divert management time and attention away from our business and harm our reputation and financial condition. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on our business.

We are currently, and expect to be in the future, party to lawsuits contending that we should be legally responsible for content created by our users or harms experienced by our users. These lawsuits can be expensive and time-consuming. If resolved adversely, these lawsuits and claims could seriously harm our business.

We rely on a variety of Constitutional, statutory, and common-law frameworks that provide that we are not legally responsible for content created by our users, including the Digital Millennium Copyright Act, the Communications Decency Act, or CDA, the First Amendment, and the fair-use doctrine. However, these provisions, statutes, and doctrines are subject to uncertain judicial interpretation and regulatory and legislative amendments. For example, the U.S. Congress amended the CDA in 2018 in ways that could expose some Internet platforms to an increased risk of litigation. In addition, the U.S. Congress and the Executive branch have proposed further changes or amendments to the CDA each year since 2019 including, among other things, proposals that would narrow the scope of CDA protection, expand government enforcement power relating to content moderation concerns, or repeal the pertinent section of the CDA altogether. Some U.S. states have also enacted or proposed legislation that would undercut, or conflict with, the CDA's protections and implicate U.S. constitutional protections. Some of these state-specific laws grant individuals a private right of action to sue to enforce these laws, with statutory damages. Although such state laws have been or can be expected to be challenged in court, if these laws are upheld or if additional similar laws or the changes or amendments to the CDA proposed by the U.S. Congress and the Executive branch are enacted, such changes may decrease the protections provided by the CDA or previously accepted U.S. constitutional protections and expose us to lawsuits, penalties, and additional compliance obligations. If courts begin to interpret the CDA more narrowly than they have historically done, this could expose us to additional lawsuits and potential judgments and seriously harm our business. Moreover, some of these statutes and doctrines that we rely on provide protection only or primarily in the United States. If the rules around these doctrines change, if international jurisdictions refuse to apply similar protections, or if a court were to disagree with our application of those rules to our service, we could incur liability or be required to make significant changes to our products, business practices, or operations, and our business could be seriously harmed.

Notwithstanding these Constitutional, statutory, and common-law protections, we have faced, currently face, and will continue to face claims relating to information that is published or made available on our products, including Snapchat. In particular, the nature of our business exposes us to claims related to defamation, intellectual property rights, rights of publicity and privacy, and personal injury torts. For example, we do not monitor or edit the vast majority of content that is communicated through Snapchat, and such content has, and may in the future, expose us to lawsuits. Specifically, we are currently facing several lawsuits alleging that we are liable for allowing users to communicate with each other, and that those communications sometimes result in harm. In addition, other lawsuits allege that the design of our platform and those of our competitors is addictive and harmful to minor users' mental health. Other plaintiffs have argued that we should be legally responsible for fentanyl overdoses or poisoning if communications about a drug transaction occurred on our platform. We believe we have meritorious defenses to these lawsuits, but litigation is inherently uncertain. Unfavorable outcomes could seriously harm our business. These actions, including any potential unfavorable outcomes, and our compliance with any associated court orders or settlements, may require us to change our policies or practices, subject us to substantial monetary judgments, fines, penalties, or sanctions, result in increased operating costs, divert management's attention, harm our reputation, and require us to incur significant legal and other expenses, any of which could seriously harm our business. Even if the outcome of any such litigation or claim is favorable, defending against such lawsuits is costly and can impose a significant burden on management and employees. We may also receive unfavorable preliminary, interim, or final rulings in the course of litigation.

This risk is enhanced in certain jurisdictions outside the United States where our protection from liability for third-party actions may be less than the protection that exists in the United States. For example, in April 2019, the European Union passed a directive expanding online platform liability for copyright infringement and regulating certain uses of news content online, which member states were required to implement by June 2021. In addition, legislation in Germany may impose significant fines for failure to comply with certain content removal and disclosure obligations. Numerous other countries in Europe, the Middle East, Asia-Pacific, and Latin America are considering or have implemented similar legislation imposing penalties for failure to remove certain types of content or follow certain processes.

We could incur significant costs investigating and defending such claims and, if we are found liable, significant damages, or license costs. We could also face fines or orders restricting or blocking our services in particular geographies as a result of content hosted on our services. If any of these events occur, we may incur significant costs or be required to make significant changes to our products, business practices, or operations and our business could be seriously harmed.

From time to time, we are involved in class-action lawsuits and other litigation matters that are expensive and time-consuming and could seriously harm our business.

We are involved in numerous lawsuits, including putative class-action lawsuits brought by users and investors, some of which may claim statutory damages. We anticipate that we will continue to be a target for lawsuits in the future. Because we have millions of users, class-action lawsuits against us that are purportedly filed by or on behalf of users typically claim enormous monetary damages in the aggregate even if the alleged per-user harm is small or non-existent.

Similarly, because we have a large number of stockholders, class-action lawsuits on securities theories typically claim enormous monetary damages in the aggregate even if the alleged loss per stockholder is small. For example, in November 2021, we, and certain of our officers, were named as defendants in a securities class-action lawsuit in federal court purportedly brought on behalf of purchasers of our Class A common stock. The lawsuit alleges that we and certain of our officers made false or misleading statements and omissions concerning the impact that Apple's App Tracking Transparency, or ATT, framework would have on our business.

We believe we have meritorious defenses to these lawsuits, but litigation is inherently uncertain and an unfavorable outcome could seriously harm our business. Any litigation to which we are a party may result in an onerous or unfavorable judgment that might not be reversed on appeal, or we may decide to settle lawsuits on adverse terms. Any such negative outcome could result in payments of substantial monetary damages or fines, or changes to our products or business practices, and seriously harm our business. Even if the outcome of any such litigation or claim is favorable, defending against such lawsuits is costly and can impose a significant burden on management and employees. We may also receive unfavorable preliminary, interim, or final rulings in the course of litigation.

We plan to continue expanding our international operations, including in markets where we have limited operating experience and may be subject to increased business and economic risks that could seriously harm our business.

We plan to continue expanding our business operations abroad and to enter new international markets and expand our operations in existing international markets, where in some cases we have limited or no experience in marketing, selling, and deploying our products and advertisements. Our limited experience and infrastructure in such markets, or the lack of a critical mass of users in such markets, may make it more difficult for us to effectively monetize any increase in DAUs in those markets, and may increase our costs without a corresponding increase in revenue. If we fail to deploy or manage our operations in international markets successfully, our business may suffer. We do not currently enter into foreign currency exchange contracts, which means our business, financial condition, and operating results may be impacted by fluctuations in the exchange rates of the currencies in which we do business. In the future, as our international operations increase, or more of our revenue agreements or operating expenses are denominated in currencies other than the U.S. dollar, these impacts may become material. In addition, as our international operations and sales continue to grow, we are subject to a variety of risks inherent in doing business internationally, including:

- political, social, and economic instability, including war and other armed conflict, and significant political developments or disruptions in foreign jurisdictions;
- risks related to the legal and regulatory environment in foreign jurisdictions, including with respect to privacy, rights of publicity, content, data protection, cybersecurity, intellectual property, communication, health and safety, competition, protection of minors, consumer protection, employment, money transmission, import and export restrictions, gift cards, electronic funds transfers, anti-money laundering, advertising, algorithms, encryption, and taxation, and unexpected changes in laws, regulatory requirements, and enforcement;
- potential damage to our brand and reputation due to compliance with local laws, including potential censorship and requirements to provide user information to local authorities;
- fluctuations in currency exchange rates;
- higher levels of credit risk and payment fraud;
- complying with tax requirements of multiple jurisdictions;
- enhanced difficulties of integrating any foreign acquisitions;

- complying with a variety of foreign laws, including certain employment laws requiring national collective bargaining agreements that set minimum salaries, benefits, working conditions, and termination requirements;
- complying with a variety of foreign disclosure and reporting obligations, including those related to environmental, social, and corporate governance impacts and security breaches;
- reduced protection for intellectual-property rights in some countries;
- difficulties in staffing and managing global operations and the increased travel, infrastructure, and compliance costs associated with multiple international locations;
- regulations that might add difficulties in repatriating cash earned outside the United States and otherwise preventing us from freely moving cash;
- import and export restrictions and changes in trade agreements or regulations;
- complying with statutory equity requirements;
- complying with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and similar laws in other jurisdictions; and
- export controls and economic sanctions administered by the Department of Commerce Bureau of Industry and Security, the Treasury Department's Office of Foreign Assets Control, or other similar foreign regulatory bodies.

If we are unable to expand internationally and manage the complexity of our global operations successfully, our business could be seriously harmed.

We plan to continue to make acquisitions and strategic investments in other companies, which could require significant management attention, disrupt our business, dilute our stockholders, and seriously harm our business.

As part of our business strategy, we have made and intend to make acquisitions to add specialized team members and complementary companies, products, and technologies, as well as investments in public and private companies in furtherance of our strategic objectives. Our ability to acquire and successfully integrate larger or more complex companies, products, and technologies is unproven. In the future, we may not be able to find other suitable acquisition or investment candidates, and we may not be able to complete acquisitions or investments on favorable terms, if at all. Our previous and future acquisitions and investments may not achieve our goals, and any future acquisitions or investments we complete could be viewed negatively by users, advertisers, partners, or investors. In addition, if we fail to successfully close transactions, integrate new teams, or integrate the products, technologies, and systems associated with these acquisitions into our company, our business could be seriously harmed. Any integration process may require significant time and resources, and we may not be able to manage the process successfully. For example, future or past business transactions could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. We may not successfully evaluate or use the acquired products, technology, and personnel, or accurately forecast the financial impact of an acquisition or investment transaction, including accounting charges. We may also incur unanticipated liabilities and litigation exposure that we assume as a result of acquiring companies. We may have to pay cash, incur debt, or issue equity securities to pay for any acquisition or investment, any of which could seriously harm our business. Selling or issuing equity to finance or carry out any such acquisition or investment would also dilute our existing stockholders. Incurring debt would increase our fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations.

In addition, it generally takes several months after the closing of an acquisition to finalize the purchase price allocation. Therefore, it is possible that our valuation of an acquisition may change and result in unanticipated write-offs or charges, impairment of our goodwill, or a material change to the fair value of the assets and liabilities associated with a particular acquisition, any of which could seriously harm our business.

The strategic investments we make in public and private companies around the world range from early-stage companies still defining their strategic direction to mature companies with established revenue streams and business models. Many of the instruments in which we invest are non-marketable and illiquid at the time of our initial investment, and our ability to realize a return on our investment, if any, is typically dependent on the issuer participating in a liquidity event, such as a public offering or acquisition. We are not always able to achieve a return on our investments in a timely fashion, if at all, even for those companies that have achieved a liquidity event. To the extent any of the companies in

which we invest are not successful, which can include failures to achieve business objectives as well as bankruptcy, we could recognize an impairment or lose all or part of our investment.

Our acquisition and investment strategy may not succeed if we are unable to remain attractive to target companies or expeditiously close transactions. For example, if we develop a reputation for being a difficult acquirer or having an unfavorable work environment, or target companies view our non-voting Class A common stock unfavorably, we may be unable to source and close acquisition targets. In addition, members of the U.S. administration and Congress have proposed new legislation, and the FTC and the DOJ have adopted new procedures, that could limit, hinder, or delay the acquisition process and target opportunities. If we are unable to consummate key acquisition transactions essential to our corporate strategy, it may limit our ability to grow or compete effectively and our business may be seriously harmed.

If our goodwill or intangible assets become impaired, we may be required to record a significant charge to earnings, which could seriously harm our business.

Under U.S. generally accepted accounting principles, or GAAP, we review our intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually. As of March 31, 2025, we had recorded a total of \$1.8 billion of goodwill and intangible assets, net related to our acquisitions. An adverse change in market conditions, particularly if such change has the effect of changing one of our critical assumptions or estimates, could result in a change to the estimation of fair value that could result in an impairment charge to our goodwill or intangible assets. Any such material charges may seriously harm our business.

Our use of equity awards to compensate and motivate our employees causes dilution to existing stockholders. Efforts to manage this dilution are likely to reduce the amount of cash we have available for other purposes.

We use equity awards that vest over multiple years to compensate and motivate our employees. When our employee equity awards vest, we typically withhold taxes and remit them, along with any employee and employer social security contributions, to relevant taxing authorities on behalf of team members and, where applicable, their employers.

While the issuance of stock-based compensation to our employees does not deplete our cash balance, it is dilutive to existing stockholders. To help manage and mitigate this dilution, we can choose to use our existing cash to fund the withholding and remittance obligations on equity awards when they vest (instead of selling a portion of the vested equity award on behalf of our employees), or engage in stock repurchases. However, doing so would reduce the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions or business opportunities, and other general corporate purposes and may increase stock price volatility. If we were to elect to satisfy tax withholding and remittance obligations in whole or in part by drawing on our revolving credit facility, or Credit Facility, our interest expense and principal repayment requirements could increase significantly, which could seriously harm our business.

There are numerous risks associated with our internal and contract manufacturing of our physical products and components. If we encounter problems with either our internal or contract manufacturing, we may not deliver our products within specifications or on time, which may seriously harm our business.

Manufacturing processes are highly complex, require advanced and costly equipment, and must be continuously modified to improve yields and performance. We largely rely on third-party suppliers and contract manufacturers in connection with the production of our own physical products and components. We and our contract manufacturers are all vulnerable to capacity constraints and reduced component availability, and have limited control over delivery schedules, manufacturing yields, and costs, particularly when components are in short supply, or if we introduce a new product or feature. In addition, we have limited control over our suppliers' and manufacturers' quality systems and controls, and therefore must rely on them to meet our quality and performance standards and specifications. Delays, component shortages, including custom components that are manufactured for us at our direction, global trade conditions and agreements, and other manufacturing and supply problems could impair the distribution of our products and ultimately our brand. For example, the United States has announced substantially higher tariffs on imports from several countries including China which, along with any retaliatory countermeasures, may adversely affect our products and seriously harm our business.

Furthermore, any adverse change in our suppliers' or contract manufacturers' financial or business condition or our relationship with them could disrupt our ability to supply our products. If we change our suppliers or contract manufacturers, or shift to more internal manufacturing operations, we may lose revenue, incur increased costs, and damage

our reputation and brand. Qualifying and commencing operations with a new supplier or contract manufacturer is expensive and time-consuming. In addition, if we experience increased demand for our products, we may need to increase our material or component purchases, internal or contract-manufacturing capacity, and internal test and quality functions. The inability of our suppliers or contract manufacturers to provide us with adequate high-quality materials and products could delay our order fulfillment, and may require us to change the design of our products to meet this increased demand. Any redesign may require us to re-qualify our products with any applicable regulatory bodies or customers, which would be costly and time-consuming. This may lead to unsatisfied customers and users and increase costs to us, which could seriously harm our business. As we increase or acquire additional manufacturing capacity, we are subject to many complex and evolving environmental, health, and safety laws, regulations, and rules in each jurisdiction in which we operate. If we fail to comply with any such laws and regulations, then we could incur regulatory penalties, fines, and legal liabilities, suspension of production, significant compliance requirements, alteration of our manufacturing processes, or restrictions on our ability to modify or expand our facilities, any of which could seriously harm our business.

In addition, any errors or defects in any parts or technology incorporated into our products could result in product failures or recalls that could seriously harm our business. Further, any defect in manufacturing, design, or other could cause our products to fail or render them permanently inoperable. As a result of such product failures or recalls, we may have to replace or offer refunds for these products at our sole cost and expense, face litigation, including class-action lawsuits, or be subject to other liabilities. Should we have a widespread problem of this kind, the reputational damage and the cost of replacing these products, or other liabilities, could seriously harm our business.

Some of our products are in regulated industries. Clearances to market regulated products can be costly and time-consuming, and we may not be able to obtain these clearances or approvals on a timely basis, or at all, for future products.

The FDA and other state and foreign regulatory agencies regulate Spectacles. We may develop future products that are regulated as medical devices by the FDA or regulated by other governmental agencies. Government authorities, primarily the FDA and corresponding regulatory agencies, regulate the medical device industry. Unless there is an exemption, we must obtain regulatory approval from the FDA and corresponding agencies, or other applicable governmental authorities, before we can market or sell a new regulated product or make a significant modification to an existing product. Obtaining regulatory clearances to market a medical device or other regulated products can be costly and time-consuming, and we may not be able to obtain these clearances or approvals on a timely basis, or at all, for future products. Any delay in, or failure to receive or maintain, clearance or approval for any products under development could prevent us from launching new products. We could seriously harm our business and the ability to sell our products if we experience any product problems requiring reporting to governmental authorities, if we fail to comply with applicable federal, state, or foreign agency regulations, or if we are subject to enforcement actions such as fines, civil penalties, injunctions, product recalls, or failure to obtain regulatory clearances or approvals.

We have faced inventory risk with respect to our physical products.

We have been and may in the future be exposed to inventory risks related to our physical products as a result of rapid changes in product cycles and pricing, defective merchandise, changes in consumer demand and consumer spending patterns, changes in consumer tastes with respect to our products, and other factors. We try to accurately predict these trends and avoid overstocking or understocking inventory. Demand for products, however, can change significantly between the time inventory or components are ordered and the date of sale. The acquisition of certain types of inventory or components may require significant lead-time and prepayment and they may not be returnable. Failure to manage our inventory, supplier commitments, or customer expectations could seriously harm our business.

Risks Related to Credit and Financing

We have offered and may continue to offer credit to our partners to stay competitive, and as a result we may be exposed to credit risk of some of our partners, which may seriously harm our business.

We engage in business with some of our partners on an open credit basis. While we attempt to monitor individual partner payment capability when we grant open credit arrangements and maintain allowances we believe are adequate to cover exposure for doubtful accounts, we cannot assure investors these programs will be effective in managing our credit risks in the future. This may be especially true as our business grows and expands, we engage with partners that have limited operating history, or we engage with partners that we may not be familiar with. If we are unable to adequately control these risks, our business could be seriously harmed.

Operating our business requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay the Notes, and any other debt when due, which may seriously harm our business.

Our ability to make principal or interest payments on, or to refinance, the Notes or other indebtedness depends on our future performance, which is subject to many factors beyond our control. Our business may not generate sufficient cash flow from operations in the future to service our debt and business. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt, obtaining additional debt financing, or issuing additional equity securities, any of which may be on terms that are not favorable to us or, in the case of equity securities, highly dilutive to our stockholders. The Notes will mature beginning in May 2025, unless earlier converted, redeemed, or repurchased. Our ability to repay or refinance the Notes or our other indebtedness will depend on various factors, including the accessibility of capital markets, our business, and our financial condition at such time. We may not be able to engage in any of these activities or on desirable terms, which could result in a default on our debt obligations. In addition, our existing and future debt agreements, including our Credit Facility and the indentures governing the Notes, may contain restrictive covenants that may prohibit us from adopting any of these alternatives. Our failure to comply with these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of our debt, and would seriously harm our business. Our indebtedness could also, among other things:

- make it difficult for us to pay other obligations;
- make it difficult to obtain favorable terms for any necessary future financing for working capital, capital expenditures, debt service requirements, or other purposes;
- adversely affect our liquidity and result in a material adverse effect on our financial condition upon repayment of the indebtedness;
- require us to dedicate a substantial portion of our cash flow from operations to service and repay the indebtedness, reducing the amount of cash flow available for other purposes;
- limit our flexibility in planning for and reacting to changes in our business;
- increase our vulnerability to the impact of adverse economic conditions, including rising interest rates (which can make refinancing existing indebtedness more difficult or costly); and
- negatively impact our credit rating, which could limit our ability to obtain additional financing in the future and adversely affect our business.

In addition, holders of the 2033 Notes and the Convertible Notes have the right to require us to, in the case of the 2033 Notes, repurchase all or a portion of the 2033 Notes on the occurrence of specific kinds of change of control events at a repurchase price equal to 101% of the principal amount of the 2033 Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the change of control repurchase date or, in the case of the Convertible Notes, repurchase all or a portion of the Convertible Notes on the occurrence of a fundamental change at a repurchase price equal to 100% of the principal amount of the Convertible Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change repurchase date. Further, if a make-whole fundamental change as defined in each of the indentures governing the Convertible Notes, or the Indentures, occurs prior to the maturity date of the Convertible Notes, we will in some cases be required to increase the conversion rate for a holder that elects to convert its Convertible Notes in connection with such make-whole fundamental change. On the conversion of the Convertible Notes, unless we elect to deliver solely shares of our Class A common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments for the Convertible Notes being converted. However, we may not have enough available cash or be able to obtain financing at the time we are required to make such repurchases of the Convertible Notes surrendered or pay cash with respect to the Convertible Notes being converted.

If we default on our credit obligations, our operations may be interrupted and our business could be seriously harmed.

We have a Credit Facility that we may draw on to finance our operations, acquisitions, and other corporate purposes. If we default on these credit obligations, our lenders may:

- require repayment of any outstanding amounts drawn on our Credit Facility;
- terminate our Credit Facility; or
- require us to pay significant damages.

If any of these events occur, our operations may be interrupted and our ability to fund our operations or obligations, as well as our business, could be seriously harmed. In addition, our Credit Facility contains operating

covenants, including customary limitations on the incurrence of certain indebtedness and liens, restrictions on certain intercompany transactions, and limitations on the amount of dividends and stock repurchases. Our ability to comply with these covenants may be affected by events beyond our control, and breaches of these covenants could result in a default under our Credit Facility and any future financial agreements into which we may enter. If not waived, defaults could cause our outstanding indebtedness under the Notes or our Credit Facility, including any future financing agreements that we may enter into, to become immediately due and payable. For more information on our Credit Facility, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.”

We cannot be certain that additional financing will be available on reasonable terms when needed, or at all, which could seriously harm our business.

We have historically incurred net losses and negative cash flow from operations, and we may not attain and sustain profitability in future periods. As a result, we may need additional financing. Our ability to obtain additional financing, if and when required, will depend on investor demand, our operating performance, our credit rating, the condition of the capital markets, and other factors. To the extent we use available funds or draw on our Credit Facility, we may need to raise additional funds and we cannot assure investors that additional financing will be available to us on favorable terms when required, or at all. If we raise additional funds through the issuance of equity, equity-linked, or debt securities, those securities may have rights, preferences, or privileges senior to the rights of our Class A common stock, and our existing stockholders may experience dilution. In the event that we are unable to obtain additional financing on favorable terms, our interest expense and principal repayment requirements could increase significantly, which could seriously harm our business. In addition, our ability to draw on our Credit Facility relies on our lenders under that facility’s continued operation and ability to fund.

Risks Related to Taxes

Existing, new, and proposed tax laws and regulations that would affect the U.S. or foreign taxation of business activities, including the imposition of, or increase in, tax based on gross revenue, could seriously harm our business, the financial markets, and the market price of our Class A common stock.

Reforming the taxation of international businesses has been a priority for policy makers at a global level, and a wide variety of changes have been proposed or enacted. Due to the large and expanding scale of our international business activities, any changes in the taxation of such activities may increase our tax expense, the amount of taxes we pay, or both, and seriously harm our business. For example, legislation commonly referred to as the Tax Cuts and Jobs Act, which was enacted in December 2017, significantly reformed the U.S. Internal Revenue Code of 1986, as amended, or the Code. The Tax Cuts and Jobs Act put into effect significant changes to U.S. taxation of international business activities, including lowering U.S. federal corporate income tax rates, changing the utilization of future net operating loss carryforwards, allowing certain capital expenditures to be expensed, eliminating the option to currently deduct research and development expenditures and requiring taxpayers to capitalize and amortize U.S.-based and non-U.S.-based research and development expenditures over five and fifteen years, respectively. In August 2022, the Inflation Reduction Act, or the IRA, was enacted, the provisions of which include a minimum tax equal to 15% of the adjusted financial statement income of certain large corporations, as well as a 1% excise tax on certain share buybacks by public corporations that is imposed on such corporations. It is possible that changes or interpretations under the Tax Cuts and Jobs Act, the IRA, or other tax legislation, or the enactment of new tax legislation, could increase our future tax liability, which could in turn adversely impact our business and future profitability.

In addition, many jurisdictions and intergovernmental organizations have implemented or are in the process of implementing proposals that have changed (or are likely to change) various aspects of the existing framework under which our tax obligations are determined in many of the jurisdictions in which we do business and in which our users are located. Some jurisdictions have enacted, in some cases with retroactive effect, and others have proposed, taxes on digital services that are based on gross receipts generated from, or other metrics relating to, users or customers in those jurisdictions, regardless of profitability. In addition, the Organisation for Economic Co-operation and Development, or the OECD, has led international efforts to devise, and to implement on a permanent basis, a two-pillar solution to address the tax challenges arising from the digitalization of the economy. Pillar One focuses on nexus and profit allocation, and Pillar Two provides for a global minimum effective corporate tax rate of 15%. Pillar One would apply to multinational enterprises with annual global revenue above 20 billion euros and profitability above 10%, with the revenue threshold potentially reduced to 10 billion euros in the future. While it remains uncertain whether Pillar One will be adopted, based on these thresholds, we currently expect to be outside the scope of the Pillar One proposals, though we anticipate that we will be subject to Pillar One in the future if it is ultimately adopted and if our global revenue exceeds the Pillar One thresholds. A number of countries, including the United Kingdom, have enacted legislation to implement core elements of the Pillar Two

proposal from the start of 2024, and further implementation is ongoing. While such legislation has not yet resulted in a material change to our income tax provision, such implementation could impact the amount of tax we have to pay and cause us to incur additional material costs and expenditures in the future to ensure compliance with any such rules in each of the relevant jurisdictions within which we carry on our business.

We continue to examine the impact these and other tax reforms may have on our business. The impact of these and other tax reforms is uncertain and one or more of these or similar measures could seriously harm our business.

We may have exposure to greater-than-anticipated tax liabilities, which could seriously harm our business.

Our income tax obligations are based on our corporate operating structure and third-party and intercompany arrangements, including the manner in which we develop, value, and use our intellectual property and the valuations of our intercompany transactions. The tax laws applicable to our international business activities, including the laws of the United States and other jurisdictions, are subject to change and uncertain interpretation. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for valuing developed technology, intercompany arrangements, or transfer pricing, which could increase our worldwide effective tax rate and the amount of taxes we pay and seriously harm our business. Taxing authorities may also determine that the manner in which we operate our business is not consistent with how we report our income, which could increase our effective tax rate and the amount of taxes we pay and seriously harm our business. In addition, our future income taxes could fluctuate because of earnings being lower than anticipated in jurisdictions that have lower statutory tax rates and higher than anticipated in jurisdictions that have higher statutory tax rates, by changes in the valuation of our deferred tax assets and liabilities, or by changes in tax laws, regulations, or accounting principles. We are subject to regular review and audit by U.S. federal and state and foreign tax authorities. Any adverse outcome from a review or audit could seriously harm our business. In addition, determining our worldwide provision for income taxes and other tax liabilities requires significant judgment by management, and there are many transactions where the ultimate tax determination is uncertain. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our financial statements for such periods and may seriously harm our business.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited, each of which could seriously harm our business.

As of December 31, 2024, we had U.S. federal net operating loss carryforwards of approximately \$6.1 billion, state net operating loss carryforwards of approximately \$4.4 billion, U.K. net operating loss carryforwards of approximately \$4.7 billion, and Singapore net operating loss carryforwards of approximately \$214.0 million. We also accumulated U.S. federal and state research tax credits of \$916.5 million and \$523.7 million, respectively, as of December 31, 2024. Under Sections 382 and 383 of the Code, if a corporation undergoes an “ownership change,” the corporation’s ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes, such as research tax credits, to offset its post-change income and taxes may be limited. In general, an “ownership change” occurs if there is a cumulative change in our ownership by “5% shareholders” that exceeds 50 percentage points over a rolling three-year period. Similar ownership change rules may apply under U.S. state tax laws, as well as in the United Kingdom and other jurisdictions where we have loss carryforwards. In the event that we experience one or more ownership changes as a result of transactions in our stock, then we may be limited in our ability to use our net operating loss carryforwards and other tax assets to reduce taxes owed on the net taxable income that we earn.

For U.S. federal income tax purposes, net operating losses arising in tax years beginning before January 1, 2018, can be carried forward to the earlier of the next subsequent twenty tax years or until such losses are fully utilized. Net operating losses arising in tax years beginning after December 31, 2017, are not subject to the twenty-year limitation, but our use of such net operating losses in a tax year may not exceed 80% of such year’s taxable income. Certain U.S. states have imposed additional limitations on the use of state net operating loss carryforwards. U.S. federal research tax credits can be carried forward to the earlier of the next subsequent twenty tax years or until such credits are fully utilized, and use of those credits generally cannot exceed 75% of the net income tax liability for such tax year. In the United Kingdom, net operating loss carryforwards can be carried forward indefinitely; however, use of such carryforwards in a given year is generally limited to 50% of such year’s taxable income. In Singapore, net operating loss carryforwards can also be carried forward indefinitely and are not subject to a taxable income limitation.

Any limitation on the ability to use our net operating loss carryforwards and other tax assets, as well as the timing of any such use, could seriously harm our business.

Our operating results may be negatively affected if we are required to pay additional sales and use tax, value added tax, digital services tax, or other transaction taxes, and we could be subject to liability with respect to a portion of past or future sales.

We currently collect and remit sales and use, value added and other transaction taxes in certain of the jurisdictions where we do business based on our assessment of the amount of taxes owed by us in such jurisdictions. However, in some jurisdictions in which we do business, we do not believe that we owe such taxes, and therefore we currently do not collect and remit such taxes in those jurisdictions or record contingent tax liabilities in respect of those jurisdictions. A successful assertion that we are required to pay additional taxes in connection with sales of our products and solutions, or the imposition of new laws or regulations or the interpretation of existing laws and regulations requiring the payment of additional taxes, would result in increased costs and administrative burdens for us. If we are subject to additional taxes, including digital services taxes, and determine to offset such increased costs by collecting and remitting such taxes from our customers, or otherwise passing those costs through to our customers, companies may be discouraged from purchasing our products and solutions. Any increased tax burden may decrease our ability or willingness to compete in relatively burdensome tax jurisdictions, result in substantial tax liabilities related to past or future sales or otherwise seriously harm our business.

Risks Related to Ownership of Our Class A Common Stock

Holders of Class A common stock have no voting rights. As a result, holders of Class A common stock will not have any ability to influence stockholder decisions.

Class A common stockholders have no voting rights, unless required by Delaware law. As a result, all matters submitted to stockholders will be decided by the vote of holders of Class B common stock and Class C common stock. As of March 31, 2025, Mr. Spiegel and Mr. Murphy control over 99% of the voting power of our capital stock, and Mr. Spiegel alone may exercise voting control over our outstanding capital stock. Mr. Spiegel and Mr. Murphy voting together, or in many instances, Mr. Spiegel acting alone, will have control over all matters submitted to our stockholders for approval. In addition, because our Class A common stock carries no voting rights (except as required by Delaware law), the issuance of the Class A common stock in future offerings, in future stock-based acquisition transactions, or to fund employee equity incentive programs could prolong the duration of Mr. Spiegel's and Mr. Murphy's current relative ownership of our voting power and their ability to elect certain directors and to determine the outcome of all matters submitted to a vote of our stockholders. This concentrated control eliminates other stockholders' ability to influence corporate matters and, as a result, we may take actions that our stockholders do not view as beneficial. As a result, the market price of our Class A common stock could be adversely affected.

Our capital structure may adversely impact our stock price.

Although other U.S.-based companies have publicly traded classes of non-voting stock, to our knowledge, we were the first company to only list non-voting stock on a U.S. stock exchange. Some indexes have since determined that they will exclude non-voting stock, like our Class A common stock, from their membership. For example, FTSE Russell, a provider of widely followed stock indexes, requires new constituents of its indexes to have at least five percent of their voting rights in the hands of public stockholders. As a result, our Class A common stock is not eligible for FTSE Russell or other stock indexes with these or similar restrictions. We cannot assure you that other stock indexes will not take a similar approach to FTSE Russell in the future. Exclusion from indexes could make our Class A common stock less attractive to investors and, as a result, the market price of our Class A common stock could be adversely affected. Additionally, the exclusion of our Class A common stock from these indexes may limit the types of investors who invest in our Class A common stock and could make the trading price of our Class A common stock more volatile.

Because our Class A common stock is non-voting, we and our stockholders are exempt from certain provisions of U.S. securities laws. This may limit the information available to holders of our Class A common stock.

Because our Class A common stock is non-voting, significant holders of our common stock are exempt from the obligation to file reports under Sections 13(d), 13(g), and 16 of the Exchange Act. These provisions generally require periodic reporting of beneficial ownership by significant stockholders, including changes in that ownership. For example, we believe that Tencent Holdings Limited, together with its affiliates, may hold greater than 10% of our Class A common stock based in part on Tencent Holdings Limited's public reporting. As a result of our capital structure, holders are not obligated to disclose changes in ownership of our Class A common stock, so there can be no assurance that you, or we, will be notified of any such changes. Our directors and officers are required to file reports under Section 16 of the Exchange Act. Our significant stockholders, other than directors and officers, are exempt from the "short-swing" profit recovery

provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of our securities. As such, stockholders will be unable to bring derivative claims for disgorgement of profits for trades by significant stockholders under Section 16(b) of the Exchange Act unless the significant stockholders are also directors or officers.

Since our Class A common stock is our only class of stock registered under Section 12 of the Exchange Act and that class is non-voting, we are not required to file proxy statements or information statements under Section 14 of the Exchange Act, unless a vote of the Class A common stock is required by applicable law. Accordingly, legal causes of action and remedies under Section 14 of the Exchange Act for inadequate or misleading information in proxy statements may not be available to holders of our Class A common stock. If we do not deliver any proxy statements, information statements, annual reports, and other information and reports to the holders of our Class B common stock and Class C common stock, then we will similarly not provide any of this information to holders of our Class A common stock. Because we are not required to file proxy statements or information statements under Section 14 of the Exchange Act, any proxy statement, information statement, or notice of our annual meeting may not include all information under Section 14 of the Exchange Act that a public company with voting securities registered under Section 12 of the Exchange Act would be required to provide to its stockholders. Most of that information, however, will be reported in other public filings. For example, any disclosures required by Part III of Form 10-K as well as disclosures required by the NYSE for the year ended December 31, 2024 that are customarily included in a proxy statement are instead included in our Annual Report. But some information required in a proxy statement or information statement is not required in any other public filing. For example, we are not required to comply with the proxy access rules or the “pay versus performance” disclosure rules under Section 14 of the Exchange Act. If we take any action in an extraordinary meeting of stockholders where the holders of Class A common stock are not entitled to vote, we will not be required to provide the information required under Section 14 of the Exchange Act. Nor will we be required to file a preliminary proxy statement under Section 14 of the Exchange Act. Since that information is also not required in a Form 10-K, holders of Class A common stock may not receive the information required under Section 14 of the Exchange Act with respect to extraordinary meetings of stockholders. In addition, we are not subject to the “say-on-pay” and “say-on-frequency” provisions of the Dodd-Frank Act. As a result, our stockholders do not have an opportunity to provide a non-binding vote on the compensation of our executive officers. Moreover, holders of our Class A common stock will be unable to bring matters before our annual meeting of stockholders or nominate directors at such meeting, nor can they submit stockholder proposals under Rule 14a-8 of the Exchange Act.

The trading price of our Class A common stock has been and will likely continue to be volatile.

The trading price of our Class A common stock has been and is likely to continue to be volatile. From April 1, 2023 to March 31, 2025, the trading price of our Class A common stock ranged from \$7.86 to \$17.90. Declines or volatility in our trading price could make it more difficult to attract and retain talent, adversely impact employee retention and morale, and has required, and may continue to require, us to issue more equity to incentivize team members which is likely to dilute stockholders. The market price of our Class A common stock may fluctuate or decline significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our user growth, retention, engagement, revenue, or other operating results;
- variations between our actual operating results and the expectations of investors and the financial community;
- the accuracy of our financial guidance or projections;
- any forward-looking financial or operating information we may provide, any changes in this information, or our failure to meet expectations based on this information;
- actions of investors who initiate or maintain coverage of us, changes in financial estimates by any investors who follow our company, or our failure to meet these estimates or the expectations of investors;
- significant acquisitions or divestitures of our stock by investors, whether voluntarily or to comply with regulatory or other requirements;
- whether our capital structure is viewed unfavorably, particularly our non-voting Class A common stock and the significant voting control of our co-founders;
- additional shares of our common stock being sold into the market by us or our existing stockholders, or the anticipation of such sales, including if we issue shares to satisfy equity-related tax obligations;
- stock repurchase programs, or repurchases of the Convertible Notes, undertaken by us;
- announcements by us or our competitors of significant products or features, technical innovations, acquisitions, strategic partnerships, joint ventures, or capital commitments;

- announcements by us or estimates by third parties of actual or anticipated changes in the size of our user base or the level of user engagement;
- changes in operating performance and stock market valuations of technology companies in our industry segment, including our partners and competitors;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole, inflationary pressures, tariffs and retaliatory countermeasures, fluctuating interest rates, banking instability, war or other armed conflict, terrorism, or responses to these events;
- lawsuits threatened or filed against us;
- developments in new legislation and pending lawsuits, executive actions, or regulatory actions, including interim or final rulings by judicial or regulatory bodies, whether such developments may impact us or our competitors; and
- other events or factors, including those resulting from war, incidents of terrorism, pandemics, or responses to these events.

In addition, extreme price and volume fluctuations in the stock markets have affected and continue to affect many technology companies' stock prices, including ours. Often, their stock prices have fluctuated in ways unrelated or disproportionate to the companies' operating performance. In the past, stockholders have filed securities class-action litigation following periods of market volatility. For example, in November 2021, we, and certain of our officers, were named as defendants in a securities class-action lawsuit in federal court purportedly brought on behalf of purchasers of our Class A common stock. The lawsuit alleges that we and certain of our officers made false or misleading statements and omissions concerning the impact that Apple's ATT framework would have on our business. We believe we have meritorious defenses to this lawsuit, but an unfavorable outcome could seriously harm our business. Any litigation could subject us to substantial costs, divert resources and the attention of management from our business, and seriously harm our business.

We may not realize the anticipated long-term stockholder value of any stock repurchase program undertaken by us and any failure to repurchase our Class A common stock after we have announced our intention to do so may negatively impact our stock price.

Our board of directors has in the past and may from time to time in the future authorize stock repurchase programs, pursuant to which repurchases of Class A common stock may be made either through open market transactions (including pre-set trading plans) or through other transactions in accordance with applicable securities laws. Any repurchase programs may be modified, suspended, or terminated at any time. Any failure to repurchase stock after we have announced our intention to do so may negatively impact our reputation and investor confidence in us and may negatively impact our stock price.

The existence of a stock repurchase program could cause our stock price to trade higher than it otherwise would be and could potentially reduce the market liquidity for our stock. Although stock repurchase programs are intended to enhance long-term stockholder value, there is no assurance they will do so because the market price of our Class A common stock may decline below the levels at which we repurchased shares and short-term stock price fluctuations could reduce the effectiveness of any such program.

Repurchasing our Class A common stock reduces the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions or business opportunities, and other general corporate purposes, and we may fail to realize the anticipated long-term stockholder value of any stock repurchase program.

Conversions or exchanges of the Convertible Notes may dilute the ownership interest of our stockholders or may otherwise affect the market price of our Class A common stock.

The conversion of some or all of the Convertible Notes may dilute the ownership interests of our stockholders. On conversion of the Convertible Notes, we have the option to pay or deliver, as the case may be, cash, shares of our Class A common stock, or a combination of cash and shares of our Class A common stock. If we elect to settle our conversion obligation in shares of our Class A common stock or a combination of cash and shares of our Class A common stock, any sales in the public market of our Class A common stock issuable on such conversion could adversely affect prevailing market prices of our Class A common stock. In addition, the existence of the Convertible Notes may encourage short selling by market participants because the conversion of the Convertible Notes could be used to satisfy short positions, or

anticipated conversion of the Convertible Notes into shares of our Class A common stock, any of which could depress the market price of our Class A common stock.

We have in the past and may continue to engage in exchanges, repurchases, or induced conversions of the Convertible Notes. Holders of the Convertible Notes that participate in any of these exchanges, repurchases, or induced conversions may enter into or unwind various derivatives with respect to our Class A common stock or sell shares of our Class A common stock in the open market to hedge their exposure in connection with these transactions. These activities could decrease (or reduce the size of any increase in) the market price of our Class A common stock or the Convertible Notes, or dilute the ownership interests of our stockholders. In addition, the market price of our Class A common stock is likely to be affected by short sales of our Class A common stock or the entry into or unwind of economically equivalent derivative transactions with respect to our Class A common stock by investors that do not participate in the exchange transactions and by the hedging activity of the counterparties to our Capped Call Transactions or their respective affiliates. Furthermore, repurchases of the Convertible Notes reduce the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions or business opportunities, and other general corporate purposes.

We may still incur substantially more debt or take other actions that would diminish our ability to make payments on the Notes when due. Our ability to repay our debt depends on our future performance, which is subject to economic, financial, competitive, and other factors beyond our control.

We and our subsidiaries may incur substantial additional debt in the future, subject to the restrictions contained in our current and future debt instruments. We are not restricted under the terms of the Indentures governing the Notes from incurring additional debt, securing existing or future debt, repurchasing our stock, making investments, paying dividends, recapitalizing our debt, or taking a number of other actions that could have the effect of diminishing our ability to make payments on the Notes when due.

Our ability to pay our debt when due or to refinance our indebtedness, including the Notes, depends on our financial condition at such time, the condition of capital markets, and our future performance, which is subject to economic, financial, competitive, and other factors beyond our control.

The conditional conversion feature of the Convertible Notes, if triggered, may adversely affect our financial condition and operating results.

The Convertible Notes are convertible at the option of the holder. In the event the conditions for optional conversion of the 2025 Notes, 2026 Notes, 2027 Notes, 2028 Notes, or 2030 Notes by holders are met before the close of business on the business day immediately preceding February 1, 2025, May 1, 2026, February 1, 2027, December 1, 2027, or May 1, 2030, respectively, holders of the applicable Convertible Notes will be entitled to convert the Convertible Notes at any time during specified periods at their option. If one or more holders elect to convert their Convertible Notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our Class A common stock (other than paying cash in lieu of delivering any fractional share), we may settle all or a portion of our conversion obligation in cash, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their Convertible Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the Convertible Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital and may seriously harm our business.

We entered into certain hedging positions that may affect the value of the Convertible Notes and the volatility and value of our Class A common stock.

In connection with the issuance of the Convertible Notes, we entered into certain hedging positions with certain financial institutions. These hedging positions are expected generally to reduce potential dilution of our Class A common stock on any conversion of the Convertible Notes or offset any cash payments we are required to make in excess of the principal amount of such converted Convertible Notes, as the case may be, with such reduction or offset subject to a cap.

The counterparties to these hedging positions or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our Class A common stock or purchasing or selling our Class A common stock in secondary market transactions prior to the maturity of the Convertible Notes (and are likely to do so during any observation period related to a conversion of the Convertible Notes or following any repurchase of the Convertible Notes by us on any fundamental change repurchase date or otherwise). This activity could cause or avoid an increase or a decrease in the market price of our Class A common stock or the Convertible Notes. In addition, if any such

hedging positions fail to become effective, the counterparties to these hedging positions or their respective affiliates may unwind their hedge positions, which could adversely affect the value of our Class A common stock.

Delaware law and provisions in our certificate of incorporation and bylaws, as well as our Indentures, could make a merger, tender offer, or proxy contest difficult or more expensive, thereby depressing the trading price of our Class A common stock.

Our certificate of incorporation and bylaws contain provisions that could depress the trading price of our Class A common stock by acting to discourage, delay, or prevent a change of control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions include the following:

- our certificate of incorporation provides for a tri-class capital structure. As a result of this structure, Mr. Spiegel and Mr. Murphy control all stockholder decisions, and Mr. Spiegel alone may exercise voting control over our outstanding capital stock. This includes the election of directors and significant corporate transactions, such as a merger or other sale of our company or our assets. This concentrated control could discourage others from initiating any potential merger, takeover, or other change-of-control transaction that other stockholders may view as beneficial. As noted above, the issuance of the Class A common stock dividend, and any future issuances of Class A common stock dividends, could have the effect of prolonging the influence of Mr. Spiegel and Mr. Murphy on the company;
- our board of directors has the right to elect directors to fill a vacancy created by the expansion of our board of directors or the resignation, death, or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- our certificate of incorporation prohibits cumulative voting in the election of directors. This limits the ability of minority stockholders to elect directors; and
- our board of directors may issue, without stockholder approval, shares of undesignated preferred stock. The ability to issue undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire us.

Any provision of our certificate of incorporation, bylaws, or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our Class A common stock.

Furthermore, certain provisions in the Indentures governing the Convertible Notes may make it more difficult or expensive for a third party to acquire us. For example, the Indentures require us, at the holders' election, to repurchase the Convertible Notes for cash on the occurrence of a fundamental change and, in certain circumstances, to increase the conversion rate for a holder that converts its Convertible Notes in connection with a make-whole fundamental change. A takeover of us may trigger the requirement that we repurchase the Convertible Notes or increase the conversion rate, which could make it more costly for a third party to acquire us. The Indentures also prohibit us from engaging in a merger or acquisition unless, among other things, the surviving entity assumes our obligations under the Convertible Notes and the Indentures. These and other provisions in the Indentures could deter or prevent a third party from acquiring us even when the acquisition may be favorable to holders of the Convertible Notes or our stockholders.

Future sales of shares by existing stockholders could cause our stock price to decline.

If our existing stockholders, including employees and service providers who obtain equity, sell, or indicate an intention to sell, substantial amounts of our Class A common stock in the public market, the trading price of our Class A common stock could decline. As a result of our capital structure, holders who are not required to file reports under Section 16 of the Exchange Act are not obligated to disclose changes in ownership of our Class A common stock, so there can be no assurance that you, or we, will be notified of any such changes. All of our outstanding shares are eligible for sale in the public market, except shares held by directors, executive officers, and other affiliates that are subject to volume limitations under Rule 144 of the Securities Act. Our employees, other service providers, and directors are subject to our quarterly trading window closures. In addition, we have reserved shares for issuance under our equity incentive plans. We may also issue shares of our Class A common stock or securities convertible into our Class A common stock from time to time in connection with a financing, acquisition, investment, or otherwise. When these shares are issued and subsequently sold, it would be dilutive to existing stockholders and the trading price of our Class A common stock could decline.

If securities or industry analysts either do not publish research about us, or publish inaccurate or unfavorable research about us, our business, or our market, or if they change their recommendations regarding our common stock adversely, the trading price or trading volume of our Class A common stock could decline.

The trading market for our Class A common stock is influenced in part by the research and reports that securities or industry analysts may publish about us, our business, our market, or our competitors. If one or more of the analysts initiate research with an unfavorable rating or downgrade our Class A common stock, provide a more favorable recommendation about our competitors, or publish inaccurate or unfavorable research about our business, our Class A common stock price would likely decline. If any analyst who may cover us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the trading price or trading volume to decline. Since we provide only limited financial guidance, this may increase the probability that our financial results are perceived as not in line with analysts' expectations, and could cause volatility to our Class A common stock price.

We do not intend to pay cash dividends for the foreseeable future.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or pay any cash dividends in the foreseeable future. As a result, you may only receive a return on your investment in our Class A common stock if the market price of our Class A common stock increases. In addition, our Credit Facility includes restrictions on our ability to pay cash dividends.

If we are unable to maintain effective internal control over financial reporting in the future, investors may lose confidence in the accuracy and completeness of our financial reports, and the market price of our Class A common stock may be seriously harmed.

We are required to maintain adequate internal control over financial reporting, perform system and process evaluation and testing of those internal controls to allow management to report on their effectiveness, report any material weaknesses in such internal controls, and obtain an opinion from our independent registered public accounting firm regarding the effectiveness of such internal controls as required by Section 404 of the Sarbanes-Oxley Act, all of which is time-consuming, costly, and complicated. If we are unable to comply with these requirements in a timely manner, if we assert that our internal control over financial reporting is ineffective, if we identify material weaknesses in our internal control over financial reporting, or if our independent registered public accounting firm is unable to express an opinion or expresses a qualified or adverse opinion about the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our Class A common stock could be negatively affected. In addition, we could become subject to investigations by the NYSE, the SEC, and other regulatory authorities, which could require additional financial and management resources.

The requirements of being a public company have and may continue to strain our resources, result in more litigation, and divert management's attention.

We are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Act, the listing requirements of the NYSE, and other applicable securities rules and regulations. Complying with these rules and regulations have caused and will continue to cause us to incur additional legal and financial compliance costs, make some activities more difficult, be time-consuming or costly, and continue to increase demand on our systems and resources. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results, and that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting. Failure to comply with these rules might also make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a public company we are required to publicly disclose additional details about our business and financial condition information, which may result in threatened or actual litigation, including by competitors, regulators, and other third parties. If those claims are successful, our business could be harmed. Even if the claims do not result in litigation or are resolved in our favor, the time and resources needed to resolve them could divert our management's resources and harm our business.

Our certificate of incorporation provides that the Court of Chancery of the State of Delaware and the federal district courts of the United States will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a breach of fiduciary duty;
- any action asserting a claim against us arising under the Delaware General Corporation Law, our certificate of incorporation, or our bylaws; and
- any action asserting a claim against us that is governed by the internal-affairs doctrine.

This provision would not apply to actions brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all Securities Act claims, which means both courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our certificate of incorporation provides that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

These exclusive forum provisions may limit a stockholder's ability to bring an action in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. While the Delaware courts have determined that such choice of forum provisions are facially valid, federal courts have been split on the issue, and a stockholder may seek to bring an action in a venue other than those designated in the exclusive forum provisions. In such an instance, we would expect to vigorously assert the validity and enforceability of our exclusive forum provisions, which may require significant additional costs associated with resolving such action in other jurisdictions, and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions. If a court were to find either exclusive forum provision in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving the dispute in other jurisdictions, all of which could seriously harm our business.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of equity securities by the issuer and affiliated purchasers

The following table summarizes stock repurchase activity for the three months ended March 31, 2025 (in thousands, except per share data):

	Total Number of Shares Purchased ⁽¹⁾	Average Price Per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Program ⁽¹⁾	Approximate Dollar Value of Shares that May Yet be Repurchased Under the Program ⁽¹⁾
January 1 - January 31, 2025	490	\$ 10.79	490	\$ 494,710
February 1 - February 28, 2025	4,056	\$ 10.43	4,056	\$ 452,446
March 1 - March 31, 2025	22,773	\$ 9.20	22,773	\$ 243,172
Total	27,319		27,319	

- (1) In October 2024, our board of directors authorized a stock repurchase program of up to \$500.0 million of our Class A common stock. During the first quarter of 2025, we repurchased 27.3 million shares of our Class A common stock for \$257.1 million, including costs associated with the repurchases. As of March 31, 2025, the remaining availability under the stock repurchase authorization was \$243.2 million.
- (2) Average price paid per share includes costs associated with the repurchases.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Description	Incorporated by Reference			
		Schedule / Form	File Number	Exhibit	Filing Date
4.1	Indenture, dated February 14, 2025, by and between Snap Inc. and U.S. Bank Trust Company, National Association, as Trustee.	8-K	001-38017	4.1	February 18, 2025
4.2	Form of Global Note, representing Snap Inc.'s 6.875% Senior Notes due 2033 (included as Exhibit A to the Indenture filed as Exhibit 4.1).	8-K	001-38017	4.2	February 18, 2025
10.1	Amendment No. 1 to Revolving Credit Agreement, dated February 12, 2025, by and among Snap Inc., the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent.	8-K	001-38017	10.1	February 18, 2025
10.2	Forms of restricted stock unit grant notice and award agreement under the Snap Inc. 2017 Equity Incentive Plan.				
31.1	Certification of the Chief Executive Officer of Snap Inc. pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934.				
31.2	Certification of the Chief Financial Officer of Snap Inc. pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934.				
32.1*	Certification of the Chief Executive Officer and Chief Financial Officer of Snap Inc. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document.				
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).				

* The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SNAP INC.

Date: April 29, 2025

/s/ Derek Andersen

Derek Andersen
Chief Financial Officer
(Principal Financial Officer)

Date: April 29, 2025

/s/ Rebecca Morrow

Rebecca Morrow
Chief Accounting Officer
(Principal Accounting Officer)

Snap Inc.
Restricted Stock Unit Grant Notice - Global
(2017 Equity Incentive Plan)

Snap Inc. (the “**Company**”), pursuant to its 2017 Equity Incentive Plan (the “**Plan**”), hereby awards to Participant a Restricted Stock Unit Award for the number of shares of the Company’s Common Stock (“**Restricted Stock Units**” or “**RSUs**”) set forth below (the “**Award**”). The Award is subject to all of the terms and conditions as set forth in this notice of grant (this “**Restricted Stock Unit Grant Notice**”) and in the Plan and the Restricted Stock Unit Agreement (the “**Award Agreement**”), including any special terms and conditions for Participant’s country of residence and/or work set forth in the attached appendix (the “**Appendix**”), all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not otherwise defined herein will have the meanings set forth in the Plan or the Award Agreement (including the Appendix). In the event of any conflict between the terms in the Award and the Plan, the terms of the Plan will control, except as expressly overridden or amended in this Award Agreement.

Employee Number: ____
Participant: ____
Grant Number: ____
Date of Grant: ____
Vesting Commencement Date: ____
Number of Restricted Stock Units/Shares: ____

Vesting Schedule: Participant will receive a benefit with respect to an RSU only if it vests. A time and service-based requirement (the “**Service-Based Requirement**”) must be satisfied in order for an RSU to vest. An RSU shall actually vest (and therefore become a “**Vested RSU**”) on the date on which the Service Based Requirement is satisfied with respect to that particular RSU (the “**Vesting Date**”). All RSUs that do not become Vested RSUs will be immediately forfeited to the Company upon expiration at no cost to the Company.

The Service-Based Requirement will be satisfied in installments as follows, subject to Participant providing Continuous Service from the Vesting Commencement Date through the dates indicated:

[_____]

If the Participant dies while in Continuous Service, the Service-Based Requirement will be satisfied as to 100% of the RSUs for which the Service-Based Requirement otherwise already was not satisfied.

Issuance Schedule: Subject to any Capitalization Adjustment, one share of Common Stock will be issued for each Restricted Stock Unit that vests at the time set forth in Section 6 of the Award Agreement.

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Award Agreement (including the Appendix) and the Plan. Participant acknowledges and agrees that this Restricted Stock Unit Grant Notice and the Award Agreement (including the Appendix) may not be modified, amended or revised except as provided in the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Award Agreement (including the Appendix) and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of Common Stock pursuant to the Award and supersede all prior oral and written agreements on that subject with the exception, if applicable, of (i) equity awards previously granted and delivered to Participant, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law, and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

By accepting this Award, Participant consents to receive such documents by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

Snap Inc. By:____ Title:____	Participant: Digitally Accepted on: _____
---	--

Attachments: Award Agreement (including the Appendix), 2017 Equity Incentive Plan

Snap Inc.
2017 Equity Incentive Plan
Restricted Stock Unit Agreement - Global

Pursuant to the Restricted Stock Unit Grant Notice (the “**Grant Notice**”) and this Restricted Stock Unit Agreement (the “**Award Agreement**”), including any special terms and conditions for your country of residence and/or work set forth in the attached appendix (the “**Appendix**”), and in consideration of your services, Snap Inc. (the “**Company**”) has awarded you (“**Participant**”) a Restricted Stock Unit Award (the “**Award**”) pursuant to Section 11 of the Company’s 2017 Equity Incentive Plan (the “**Plan**”) for the number of Restricted Stock Units/shares indicated in the Grant Notice. Capitalized terms not explicitly defined in this Award Agreement or the Grant Notice will have the same meanings given to them in the Plan. The terms of your Award, in addition to those set forth in the Grant Notice and the Plan (which shall control in the event of any conflict, except as expressly overridden or amended in this Award Agreement), are as follows:

1. Grant of the Award. This Award represents the right to be issued on a future date one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 below) as indicated in the Grant Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the “**Account**”) the number of Restricted Stock Units/shares of Common Stock subject to the Award. This Award was granted in consideration of your services to the Company or an Affiliate. Except as otherwise provided herein, you will not be required to make any payment to the Company or an Affiliate (other than services to the Company or an Affiliate) with respect to your receipt of the Award, the vesting of the Stock Units or the delivery of the Company’s Common Stock to be issued in respect of the Award. Notwithstanding the foregoing, the Company reserves the right to issue you the cash equivalent of Common Stock, in part or in full satisfaction of the delivery of Common Stock upon vesting of your Stock Units, and, to the extent applicable, references in this Award Agreement and the Grant Notice to Common Stock issuable in connection with your Stock Units will include the potential issuance of its cash equivalent pursuant to such right.

2. Vesting. Subject to the limitations contained herein, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service. Upon such termination of your Continuous Service, the Restricted Stock Units/shares of Common Stock credited to the Account that were not vested on the date of such termination will be forfeited at no cost to the Company and you will have no further right, title or interest in or to such underlying shares of Common Stock.

3. Number of Shares. The number of Restricted Stock Units/shares subject to your Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan. Any additional Restricted Stock Units, shares, cash or other property that becomes subject to the Award pursuant to this Section 3, if any, will be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other Restricted Stock Units and shares covered by your Award. Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Common Stock will be created pursuant to this Section 3. Any fraction of a share will be rounded down to the nearest whole share.

4. Securities Law Compliance. You may not be issued any Common Stock under your Award unless the shares of Common Stock underlying the Restricted Stock Units are either (i) then registered under the Securities Act, or (ii) the Company has determined that such issuance would be

exempt from the registration requirements of the Securities Act. Your Award must also comply with other applicable laws and regulations governing the Award, and you will not receive such Common Stock if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. Transfer Restrictions. Prior to the time that shares of Common Stock have been delivered to you, you may not transfer, pledge, sell or otherwise dispose of this Award or the shares issuable in respect of your Award. For example, you may not use shares that may be issued in respect of your Restricted Stock Units as security for a loan. The restrictions on transfer set forth herein will lapse upon delivery to you of shares in respect of your vested Restricted Stock Units. At your death, vesting of your Award will cease and your executor or administrator of your estate will be entitled to receive, on behalf of your estate, any Common Stock or other consideration that vested but was not issued before your death.

6. Date of Issuance.

(a) The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury Regulations Section 1.409A-1(b)(4) and will be construed and administered in such a manner. Subject to the satisfaction of the withholding obligations set forth in this Award Agreement, in the event one or more Restricted Stock Units vests, the Company will issue to you one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 above, and subject to any different provisions in the Grant Notice). The issuance date determined by this paragraph is referred to as the “**Original Issuance Date**”.

(b) If the Original Issuance Date falls on a date that is not a business day, delivery will instead occur on the next following business day. In addition, if:

(i) the Original Issuance Date does not occur (1) during an “open window period” applicable to you, as determined by the Company in accordance with the Company’s then-effective policy on trading in Company securities, or (2) on a date when you are otherwise permitted to sell shares of Common Stock on an established stock exchange or stock market (including but not limited to under a previously established written trading plan that meets the requirements of Rule 10b5-1 under the Exchange Act and was entered into in compliance with the Company’s policies (a “**10b5-1 Plan**”)), and

(ii) either (1) Withholding Taxes do not apply, or (2) the Company decides, prior to the Original Issuance Date, (A) not to satisfy the Withholding Taxes by withholding shares of Common Stock from the shares otherwise due, on the Original Issuance Date, to you under this Award, and (B) not to permit you to enter into a “same day sale” commitment with a broker-dealer pursuant to Section 11 of this Award Agreement (including but not limited to a commitment under a 10b5-1 Plan) and (C) not to permit you to pay the Withholding Taxes in cash or from other compensation otherwise payable to you by the Company,

then the shares that would otherwise be issued to you on the Original Issuance Date will not be delivered on such Original Issuance Date and will instead be delivered on the first business day when you are not prohibited from selling shares of the Company’s Common Stock in the open public market, but, if you are subject to taxation in the United States, in no event later than December 31 of the calendar year in which the Original Issuance Date occurs (that is, the last day of your taxable year in which the Original Issuance Date occurs), or, if and only if permitted in a manner that complies with Treasury Regulations

Section 1.409A-1(b)(4), no later than the date that is the 15th day of the third calendar month of the applicable year following the year in which the shares of Common Stock under this Award are no longer subject to a “substantial risk of forfeiture” within the meaning of Treasury Regulations Section 1.409A-1(d).

(c) The form of delivery of the shares of Common Stock in respect of your Award (*e.g.*, a stock certificate or electronic entry evidencing such shares) will be determined by the Company.

7. Dividends. You will receive no benefit or adjustment to your Award with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment; provided, however, that this sentence will not apply with respect to any shares of Common Stock that are delivered to you in connection with your Award after such shares have been delivered to you.

8. Restrictive Legends. The shares of Common Stock issued under your Award will be endorsed with appropriate legends as determined by the Company.

9. Execution of Documents. You hereby acknowledge and agree that the manner selected by the Company by which you indicate your consent to your Grant Notice is also deemed to be your execution of your Grant Notice and of this Award Agreement. You further agree that such manner of indicating consent may be relied upon as your signature for establishing your execution of any documents to be executed in the future in connection with your Award.

10. Award not a Service Contract.

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice (subject to applicable law and the terms of your employment or engagement agreement, if any). Nothing in this Award Agreement (including, but not limited to, the vesting of your Award or the issuance of the shares subject to your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Award Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Award Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Award Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate your employment without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award is earned only by continuing as an employee, director or consultant of the Company or an Affiliate and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a “*reorganization*”). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Award Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Award Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth herein or any covenant of good faith and fair dealing that may be found implicit in any of them do not

constitute an express or implied promise of continued engagement as an employee or consultant for the term of this Award Agreement, for any period, or at all, and will not interfere in any way with your right or the right of the Company or an Affiliate to terminate your Continuous Service at any time, with or without cause and with or without notice, and will not interfere in any way with the Company's right to conduct a reorganization.

(c) By accepting your Award, you acknowledge, understand and agree that:

(i) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted under the Plan;

(ii) the grant of your Award is voluntary and occasional and does not create any contractual or other right to receive future grants of awards (whether on the same or different terms), or benefits in lieu of awards, even if awards have been granted in the past;

(iii) your Award and any shares of Common Stock acquired under the Plan, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, vacation, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(iv) no claim or entitlement to compensation or damages shall arise from forfeiture of this Award resulting from the termination of your Continuous Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment or service agreement, if any), and in consideration of the grant of this Award to which you are otherwise not entitled, you irrevocably agree never to institute any claim against the Company or any Affiliate, waive your ability, if any, to bring any such claim, and release the Company and any Affiliate from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim.

11. Withholding Obligations.

(a) On each vesting date, and on or before the time you receive a distribution of the shares underlying your Restricted Stock Units, and at any other time as reasonably requested by the Company in accordance with applicable tax laws, you hereby authorize any required withholding from the Common Stock issuable to you and otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax and social security withholding obligations of the Company or any Affiliate that arise in connection with your Award (the "**Withholding Taxes**"). Additionally, the Company or any Affiliate may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company or an Affiliate; (ii) causing you to tender a cash payment; (iii) permitting or requiring you to enter into a "same day sale" commitment, if applicable, with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "**FINRA Dealer**") (pursuant to this authorization and without further consent) whereby you irrevocably elect to sell a portion of the shares to be delivered in connection with your Restricted Stock Units to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably

commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and its Affiliates; or (iv) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued to you pursuant to Section 6) equal to the amount of such Withholding Taxes; *provided, however*, that the number of such shares of Common Stock so withheld will not exceed the amount necessary to satisfy the Company's (or Affiliate's) required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and, if applicable, foreign tax purposes, including payroll taxes and social security, that are applicable to supplemental taxable income; and *provided further*, that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the express prior approval of the Company's Compensation Committee. However, the Company does not guarantee that you will be able to satisfy the Withholding Taxes through any of the methods described in the preceding provisions and in all circumstances you remain responsible for timely and fully satisfying the Withholding Taxes.

(b) Unless the tax and social security withholding obligations of the Company and any Affiliate are satisfied, the Company will have no obligation to deliver to you any Common Stock or other consideration pursuant to this Award.

(c) In the event the Company or Affiliate's obligation to withhold arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Company's withholding obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

12. Tax Consequences. The Company has no duty or obligation to minimize the tax or social security consequences to you of this Award and will not be liable to you for any adverse tax or social security consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and legal advisors regarding the tax and social security consequences of this Award and by signing the Grant Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so. You understand that you (and not the Company) will be responsible for your own tax liability that may arise as a result of this investment or the transactions contemplated by this Award Agreement.

13. Unsecured Obligation. Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares or other property pursuant to this Award Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Award Agreement until such shares are issued to you pursuant to Section 6 of this Award Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Award Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

14. Notices. Any notice or request required or permitted hereunder will be given in writing to each of the other parties hereto and will be deemed effectively given on the earlier of (i) the date of personal delivery, including delivery by express courier, or delivery via electronic means, or (ii) the date that is five (5) days after deposit in the national Post Office (whether or not actually received by the addressee), by registered or certified mail with postage and fees prepaid, addressed to the Company

at its primary executive offices, attention: Stock Plan Administrator, and addressed to you at your address as on file with the Company at the time notice is given.

15. Headings. The headings of the Sections in this Award Agreement are inserted for convenience only and will not be deemed to constitute a part of this Award Agreement or to affect the meaning of this Award Agreement.

16. Additional Acknowledgements. You hereby consent and acknowledge that:

(a) Participation in the Plan is voluntary and therefore you must accept the terms and conditions of the Plan and this Award Agreement and Grant Notice as a condition to participating in the Plan and receipt of this Award. This Award and any other awards under the Plan are voluntary and occasional and do not create any contractual or other right to receive future awards or other benefits in lieu of future awards, even if similar awards have been granted repeatedly in the past. All determinations with respect to any such future awards, including, but not limited to, the time or times when such awards are made, the size of such awards and performance and other conditions applied to the awards, will be at the sole discretion of the Company.

(b) The future value of your Award and the underlying shares of Common Stock is unknown, indeterminable, and cannot be predicted with certainty. Neither the Company nor any Affiliate shall be liable for any exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of your Award or of any amounts due to you on the subsequent sale of any shares of Common Stock distributed to you on the vesting of your Award.

(c) The rights and obligations of the Company under your Award will be transferable by the Company to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by, the Company's successors and assigns.

(d) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(e) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

(f) This Award Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(g) All obligations of the Company under the Plan and this Award Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and assets of the Company.

17. Governing Plan Document. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations,

amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Your Award (and any compensation paid or shares issued under your Award) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to voluntarily terminate employment upon a resignation for “good reason,” or for a “constructive termination” or any similar term under any plan of or agreement with the Company.

18. Effect on Other Employee Benefit Plans. The value of the Award subject to this Award Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating benefits under any employee benefit plan (other than the Plan) sponsored by the Company or any Affiliate except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any or all of the employee benefit plans of the Company or any Affiliate.

19. Choice of Law. The interpretation, performance and enforcement of this Award Agreement will be governed by the law of the State of Delaware without regard to that state’s conflicts of laws rules.

20. Severability. If all or any part of this Award Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Award Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Award Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

21. Other Documents. You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company’s policy permitting certain individuals to sell shares only during certain “window” periods and the Company’s insider trading policy, in effect from time to time.

22. Amendment. This Award Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Award Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Award Agreement, so long as a copy of such amendment is delivered to you, and provided that, except as otherwise expressly provided in the Plan, no such amendment materially adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Award Agreement in any way it may deem necessary or advisable to carry out the purpose of the Award as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

23. Compliance with Section 409A of the Code. This Section applies if you are subject to taxation in the United States. This Award is intended to comply with the “short-term deferral” rule set forth in Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise deferred

compensation subject to Section 409A, and if you are a “Specified Employee” (within the meaning set forth in Section 409A(a)(2)(B)(i) of the Code) as of the date of your “separation from service” (within the meaning of Treasury Regulation Section 1.409A-1(h) and without regard to any alternative definition thereunder), then the issuance of any shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the earlier of: (i) the fifth business day following your death, or (ii) the date that is six (6) months and one day after the date of the separation from service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of adverse taxation on you in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a “separate payment” for purposes of Treasury Regulation Section 1.409A-2(b)(2).

24. Data Transfer.

(a) If you are located in a country other than the European Union, Switzerland and the United Kingdom, you explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. You may request a list with the names and addresses of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). You authorize the recipients to receive, possess, process, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. You understand that refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, you may contact the Stock Plan Administrator.

(b) For the purposes of operating the Plan in the European Union, Switzerland and the United Kingdom, the Company will collect and process information relating to you in accordance with the privacy notice from time to time in force.

25. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or

your acquisition or sale of the underlying shares of Common Stock. You should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

26. Language. You acknowledge that you are sufficiently proficient in the English language, or have consulted with an advisor who is sufficiently proficient in English, so as to allow you to understand the terms and conditions of this Award Agreement. If you have received this Award Agreement, or any other document related to this Award and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

27. Foreign Asset/Account, Exchange Control and Tax Reporting. You may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the acquisition, holding and/or transfer of shares of Common Stock or cash (including dividends and the proceeds arising from the sale of shares of Common Stock) derived from your participation in the Plan in, to and/or from a brokerage/bank account or legal entity located outside your country. The applicable laws in your country may require that you report such accounts, assets and balances therein, the value thereof and/or the transactions related thereto to the applicable authorities in such country. You may also be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations and you are encouraged to consult with your personal legal advisor for any details.

28. Appendix. Notwithstanding any provisions in this Award Agreement, your Award shall be subject to the special terms and conditions for your country of residence and/or work set forth in the Appendix attached hereto which, where applicable, shall prevail in the event of conflict between such terms and conditions and the terms of this Award Agreement, Grant Notice, and/or the Plan. Moreover, if you relocate to one of the countries included therein, the terms and conditions for such country will apply to you to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Award Agreement.

* * * * *

This Award Agreement will be deemed to be signed by the Company and the Participant upon the signing or electronic acceptance by the Participant of the Restricted Stock Unit Grant Notice to which it is attached.

Appendix to Restricted Stock Unit Award Agreement

This Appendix includes special terms and conditions that govern the Restricted Stock Units granted to you under the Plan if you reside or work in one of the countries listed below.

The information contained below is general in nature and may not apply to your particular situation. You are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Australia

Breach of Law. Notwithstanding anything else in the Plan or the Award Agreement, you will not be entitled to, and shall not claim any benefit (including without limitation a legal right) under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the *Australian Corporations Act 2001* (Cth) (“*Corporations Act*”), any other provision of the Corporations Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Company is under no obligation to seek or obtain the approval of its shareholders in general meeting for the purpose of overcoming any such limitation or restriction.

Securities Law Information. The grant of the Award under, and your participation in, the Plan, and any subsequent issue of shares of the Company’s Common Stock, is made under and in accordance with the relief provided by, and the requirements of, Division 1A of Part 7.12 of the Corporations Act.

Advice. Any advice given to you by the Company, or a related body corporate of the Company, or a representative of the Company or any such related body corporate, in relation to the Award, should not be considered as investment advice and does not take into account your specific objectives, financial situation, or needs.

Australian law normally requires persons who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is material for investors to make an informed decision. The usual rules do not apply to this offer because it is made under and in accordance with the relief provided by, and the requirements of, Division 1A of Part 7.12 of the Corporations Act. As a result, you may not be given all of the information normally expected when receiving an offer of financial products in Australia.

You should consider obtaining your own personal financial advice with respect to the offer of the Award.

Risks. There are risks associated with the Company and a number of general risks associated with an investment in the Restricted Stock Units and the underlying shares of the Company’s Common Stock. These risks may individually or in combination materially and adversely affect the future operating and financial performance of the Company and, accordingly, the value of shares of the Company’s Common Stock. There can be no guarantee that the Company will achieve its stated objectives. Before agreeing to participate in the Plan, you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in the Company and whether it is a suitable investment, having regard to your objectives, financial situation, and needs.

The Restricted Stock Units will only vest on the satisfaction of the conditions (if any) set out in the enclosed Restricted Stock Unit Grant Notice and the issue to you of the shares of the Company’s

Common Stock is subject to the terms of this Grant Notice, Award Agreement and the Plan. There is a chance that any conditions attaching to the Awards may never be fulfilled and that the Award will not vest.

Further risks and rights with respect to holding Awards are set out in this Grant Notice, Award Agreement and the Plan.

Exchange Control Information. Exchange control reporting is required for cash transactions exceeding A\$10,000 and international fund transfers. You understand that the Australian bank assisting with the transaction may file the report on your behalf. If there is no Australian bank involved in the transfer, you will be required to file the report. You should consult with your personal advisor to ensure proper compliance with applicable reporting requirements in Australia.

Tax Information. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act).

Disposal Restriction. Notwithstanding anything else in the Plan or the Award Agreement, you may not sell, transfer, assign, pledge or otherwise encumber, deal with, make over or part with your Restricted Stock Units (whether legally or beneficially), either voluntarily or by operation of law, except on your death.

Privacy. Section 24 (Data Transfer) is deleted and replaced with the following:

24. PRIVACY. You explicitly and unambiguously consent to the collection, holding, use and disclosure, in electronic or other form, of your personal information (as that term is defined in the *Privacy Act 1988* (Cth)) as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal information about you, including, but not limited to, name, home address and telephone number, email address and other contact details, date of birth, tax file number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). The collection of this information may be required for compliance with various legislation, including the *Corporations Act 2001* (Cth) and applicable taxation legislation. You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protection of your personal data than your country. You may request a list with the names and addresses of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). You authorize the recipients to collect, hold, use and disclose the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any shares of the Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan or for the period required by law, whichever is the longer. You may, at any time, refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. You understand that refusing or withdrawing consent may affect your ability to participate in the Plan. You acknowledge that

further information on how your employer, the Company and its Affiliates collect, hold, use and disclose Data and other personal information (and how you can access, correct or complain about the handling of that Data or other personal information by your employer, the Company and its Affiliates) can be found at this link in the privacy policies of your employer, the Company and its Affiliates (as applicable).

Austria

Compliance with Law. By accepting the Award and accepting the terms of the Award, you acknowledge and agree that you are responsible for complying with all applicable Austrian laws and you shall not assume that the terms of the Award summarize all requirements under applicable laws.

Non-Binding Reservation. All claims set forth in the Plan, the Grant Notice and the Award Agreement (including the Appendix) shall be considered as non-binding and shall not give rise to any legal rights to any payments. Should entitlements be acquired nonetheless, these shall be revocable.

Notices. Section 14 (Notices) is hereby further specified as the term "*in writing*" shall be interpreted as text form.

Data Transfer. Section 24 (Data Transfer) is deleted and replaced with the following:

24. Data Transfer. By participating in the Plan, you understand that your personal data will be processed, including transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company (as the controller and located at 3000 31st Street, Santa Monica, CA 90405, dpo@snap.com) and its Affiliates (a list of Affiliates may be found here) for the exclusive purpose of implementing, administering and managing your participation in the Plan according to the RSU Grant Notice, the Award Agreement and the Appendix (Art 6 (1)b GDPR). You understand that the Company, its Affiliates and your employer hold certain personal information about you, i.e. name, home address and telephone number, date of birth, identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("**Data**"). You understand that the provision of your Data is necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix and that refusing to provide the Data may affect your ability to participate in the Plan. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or a third country outside the EEA, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country and that local authorities may access your Data. However, we implement appropriate safeguards to ensure that your rights are protected in accordance with the GDPR. This includes the conclusion of the EU Commission's standard contractual clauses for the transfer of personal data (Art 46(2) c GDPR). Further details on the implemented safeguards as well as copies of the respective agreements are available on request at dpo@snap.com. You may request a list with the names and addresses of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the "**Stock Plan Administrator**").

You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan and beyond that for a period of 7 years after termination of the contractual relationship or as long as required by law (e.g. due to tax or company law storage obligations) or other

legitimate interests in storage exist (e.g. as evidence for the assertion of legal claims in already pending or imminent proceedings).

In accordance with the statutory provisions, you may, at any time, view the Data, request additional information about the storage and processing of the Data (right to access), require any necessary amendments to the Data (right to rectification) or refuse or withdraw a consent provided, if any, with effect for the future, as well as exercise your rights to erasure, data portability, restriction of the processing and objection, in any case without cost, by contacting the Stock Plan Administrator in writing. Further, you have a right to lodge a complaint with a competent data protection authority. No automated decisions within the meaning of Art 22 GDPR are used. For more information on the processing of your personal data you may contact the Stock Plan Administrator (see contact details above).

Contact details of the Data Protection Officer: Snap Inc., 3000 31st Street, Santa Monica, CA 90405, dpo@snap.com

Contact details of Snap Inc's EU representative: Snap B.V., Keizersgracht 440 B, 1016 GD, Amsterdam, The Netherlands, dpo@snap.com

Cause. This provision supplements the definition of “**Cause**” set out in the Plan to the effect that it shall include any other solid grounds for termination (“*wichtiger Grund*”) within the meaning of sec 25 and 27 of the Austrian Act on White-Collar Workers (“*Angestelltenengesetz*”).

Disability. This provision supplements the definition of “**Disability**” set out in the Plan to the effect that it shall also include the Participant's inability to perform duties under the terms of Participant's employment with the Company or an Affiliate (“*Dienstunfähigkeit*”) within the meaning of sec 27 (2) of the Austrian Act on White-Collar Workers (“*Angestelltenengesetz*”).

Exchange Control Information. If you hold shares of Common Stock obtained under the Plan outside of Austria, you may be required to submit reports to the Austrian National Bank on a quarterly basis if the cumulative value of all securities, except for those held in a securities account located in Austria, in any given quarter meets or exceeds €5,000,000. The reporting date is the last day of the respective quarter; the deadline for filing the quarterly report is the 15th day of the month following the respective quarter (e.g. for the first quarter, 31 March is the reporting date and the filing must occur until 15 April).

When shares of Common Stock are sold, you may be required to comply with certain exchange control obligations if the cash proceeds from the sale are held outside of Austria. If the transaction volume of all your accounts abroad meets or exceeds €10,000,000, the movements and balances of all accounts must be reported monthly, as of the last day of the month, on or before the 15th day of the following month.

For details of the Participant's notification obligations, please refer to <https://www.oenb.at/meldewesen/meldebestimmungen/aussenwirtschaftsstatistik/meldeinhalte.html> for further information.

Securities Law Information. The Award, the Restricted Stock Units and/or the shares of Common Stock are conferred solely upon the Participant, not transferable and in no way intended to be publicly offered in Austria. Neither this document nor any other materials relating to the Restricted Stock Units and the shares of Common Stock: (i) constitutes a prospectus according to the EU Prospectus Regulation (Regulation (EU) 2017/1129) or the Austrian Capital Market Act (*Kapitalmarktgesetz*); (ii) may be publicly distributed or otherwise made publicly available in Austria to any person other than a grantee; or

(iii) has been or will be filed with, approved or supervised by any supervisory authority, including the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde – FMA*).

Belgium

Foreign Asset / Account / Legal Construction Reporting. Belgian residents are required to report any security (e.g., shares of Common Stock acquired under the Plan) or bank account established outside of Belgium or legal construction on their annual tax return. In a separate report, Belgian residents are also required to provide the National Bank of Belgium with certain details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). The forms to complete this report are available on the website of the National Bank of Belgium. Belgian residents should consult with their personal tax advisors to determine their personal reporting obligations.

Stock Exchange Tax. A stock exchange tax applies to transactions executed by a Belgian resident through a non-Belgian financial intermediary, such as a U.S. broker. The stock exchange tax likely will apply when the shares of Common Stock are sold. You should consult with your personal tax advisor for additional details on your obligations with respect to the stock exchange tax.

Securities Account Tax. A securities account tax applies if the average annual value of securities (including shares acquired under the Plan) held by you in a securities account exceeds certain thresholds, subject to certain conditions. You should consult with your personal tax advisor for additional details on your obligations with respect to the securities account tax.

Data Transfer. Section 24(a) (Data Transfer) is deleted and replaced with the following:

24. DATA PROCESSING AND DATA TRANSFER.

(a) By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). You understand that the provision of your personal data is a requirement necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). The Data may be transferred to a

broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority (Data Protection Ombudsman). For more information on the processing of the Data, you may contact the Stock Plan Administrator.

Brazil

Compliance with Law. By accepting the Award and accepting the terms of the Award Agreement, you acknowledge and agree to comply with all applicable Brazilian laws and pay any and all applicable Taxes associated with the Award, the sale of shares of Common Stock acquired under the Plan, and the receipt of any dividends paid on such shares of Common Stock.

Exchange Control Information. If you are a Brazilian resident, you must periodically disclose to the Central Bank of Brazil a declaration of assets and rights held abroad. The reporting is made by means of a Statement of Brazilian Capitals Abroad (“**DCBE**”) and must be submitted annually if the aggregate value of such assets and rights is US\$1,000,000 or more. Notwithstanding the above, the declaration is required quarterly if at the dates of March 31, June 30 and September 30, of each year, the aggregate value of such assets and rights held outside of Brazil is US\$100,000,000 or more. Assets and rights that must be reported include shares of Common Stock acquired under the Plan. You should consult with a personal advisor to ensure compliance with the applicable exchange control requirements.

Securities Law Information. Please note that the offer of an award under the 2017 Equity Incentive Plan does not constitute a public offer in Brazil, and therefore it is not subject to registration with the Brazilian authorities.

Taxation and tax reporting: As a result of the acquisition, holding and/or transfer of the Award, shares of Common Stock or cash (including dividends and the proceeds arising from the sale of shares of Common Stock) derived from your participation in the Plan, you may be subject to taxation. It is your responsibility to comply with these tax and reporting obligations, and you should consult with your own personal tax advisor in this regard.

Acknowledgment of Forfeiture and Clawback Provisions. By accepting the Award, you acknowledge being subject to the provisions of any forfeiture and claw-back policy implemented by the Company, including, without limitation, any clawback policy adopted to comply with the requirements of applicable law.

Additional Acknowledgements. The following sub-section is added as Section 16(h):

(h) In accepting this Award Agreement, you acknowledge being subject to the provisions of any forfeiture and claw-back policy implemented by the Company, including, without limitation, any claw-back policy adopted to comply with the requirements of applicable law.

Canada

Grant of the Award. The final sentence of Clause 1 (“Notwithstanding the foregoing, the Company reserves the right to issue you the cash equivalent of Common Stock, in part or in full satisfaction of the delivery of Common Stock upon vesting of your Stock Units, and, to the extent applicable, references in this Award Agreement and the Grant Notice to Common Stock issuable in connection with your Stock Units will include the potential issuance of its cash equivalent pursuant to such right.”) is deleted; provided further that, notwithstanding any other provision in the Plan or this Award Agreement (including Section 6(b)(iii) of the Plan), your Stock Units (including, for greater certainty, any dividend equivalent entitlements) may only be settled with newly-issued shares of Common Stock,

Data Transfer. The following provision supplements Section 24 of the Award Agreement:

“You hereby authorize the Company and its representatives to discuss with and obtain all relevant personal data from you and/or any personnel, professional or not, involved in the administration and operation of the Plan. You further authorize the Company, any Affiliates and any stock plan service provider that may be selected by the Company to assist with the Plan to use and disclose your personal data to other third parties as needed in order to obtain advice, facilitate and administer the Plan and/or comply with their legal obligations. Some of these Affiliates and service providers may be located in jurisdictions outside of Canada. Accordingly, your personal data may be accessible to courts, law enforcement, and national security entities in such jurisdictions. You also understand that you may contact Snap’s Data Protection Officer privacynotice@snap.com in order to: (i) exercise your rights to access and/or rectify your personal data, where applicable; (ii) withdraw consent to the continued use or disclosure of your personal data, subject to legal obligation and reasonable notice; (iii) ask questions regarding the collection, use and/or disclosure of your personal data in connection with this Award Agreement.

Continuous Service. This provision supplements the definition of “*Continuous Service*” set out in the Plan. The Participant’s Continuous Service will be determined without regard to any period of statutory, contractual, common law, civil law or other reasonable notice of termination of employment or any period of salary continuance or deemed employment and regardless of whether the Participant’s termination of employment was lawful; *provided, however*, that where any greater period is expressly required by applicable employment or labour standards legislation (if such legislation is applicable), the Participant’s Continuous Service will be deemed to end immediately following the minimum prescribed period under that legislation.

Cause. Section 13(g) of the Plan is deleted in its entirety and replaced with the following:

(g) “*Cause*” will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant’s commission of any felony, indictable offence or other crime involving fraud, dishonesty or moral turpitude under the laws of the United States, or any state thereof, Canada, or any applicable foreign jurisdiction; (ii) such Participant’s attempted commission of, or participation in, a fraud or act of dishonesty against the Company or any Affiliate; (iii) such Participant’s intentional, material violation of any contract or agreement between the Participant and the Company or any Affiliate or of any statutory duty owed to the Company or any Affiliate; (iv) such Participant’s unauthorized use or disclosure of the Company’s or any Affiliate’s confidential information or trade secrets; or (v) such Participant’s gross misconduct; *provided, however*, that for Employees in Ontario, “*Cause*” means wilful misconduct, disobedience or wilful neglect of duty that is not trivial and has not been condoned. The determination that a termination of the Participant’s Continuous Service is either for Cause or without Cause will be

made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

Employment Law Compliance. Should a discrepancy (including contravention, conflict or inconsistency) exist between any express written term in any written document, the Plan, or your Award Agreement, on the one hand, and minimum statutory entitlements provided for under applicable employment or labour standards legislation (if such legislation is applicable), on the other hand, the minimum statutory entitlements provided for under employment or labour standards legislation (if such legislation is applicable) will prevail and your entitlements (as applicable) shall be increased only to the extent necessary to satisfy the minimum statutory requirements.

Securities Law Information. The definition of the following terms in Section 13 of the Plan are modified for issuances of securities to eligible persons in Canada as follows:

- “**Affiliate**” in the Plan is modified such that control for purposes of determining any “parent” or “subsidiary” is measured by the holding of over fifty percent (50%) of the voting securities of an issuer.
- “**Consultant**” in the Plan is supplemented by the following: “For purposes of issuances of securities under the Plan to Consultants in Canada, a Consultant means a person, other than an employee, executive officer or director of the Company or an Affiliate that (a) is engaged to provide services to the Company or an Affiliate, other than services provided in relation to a distribution; (b) provides the services under a written contract with the Company or an Affiliate; and (c) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate and includes (d) for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner, and (e) for a consultant that is not an individual, an employee, executive officer, or director of the consultant, provided that the individual employee, executive officer, or director spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate.”

You understand that you are permitted to sell Common Stock acquired pursuant to the Plan, provided that the Company is a “foreign issuer” that is not a public company in any jurisdiction of Canada and the sale of the Common Stock acquired pursuant to the Plan takes place: (i) through an exchange, or a market, outside of Canada on the distribution date; or (ii) to a person or company outside of Canada. For purposes hereof, in addition to not being a reporting issuer in any jurisdiction of Canada, a “foreign issuer” is an issuer that: (i) is not incorporated or existing pursuant to the laws of Canada or any jurisdiction of Canada; (ii) does not have its head office in Canada; and (iii) does not have a majority of its executive officers or directors ordinarily resident in Canada. If any designated broker is appointed under the Plan, you shall sell such securities through the designated broker.

Foreign Asset/Account Reporting Information. If you are a Canadian resident, you may be required to report your foreign property on form T1135 (Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time in the year. Foreign property includes shares of Common Stock acquired under the Plan, and may include the Restricted Stock Units. The Restricted Stock Units must be reported--generally at a nil cost--if the C\$100,000 cost threshold is exceeded because of other foreign property you hold. If shares of Common Stock are acquired, their cost generally is the

adjusted cost base (“**ACB**”) of the shares of Common Stock. The ACB ordinarily would equal the fair market value of the shares at the time of acquisition, but if you own other shares of Common Stock, this ACB may have to be averaged with the ACB of the other shares. The form T1135 generally must be filed by April 30 of the following year. You should consult with a personal advisor to ensure compliance with the applicable reporting requirements.

Award Not a Service Contract. In Sections 10(a) and 10(b), references to “and with or without notice” are deleted.

Withholding Obligations. Section 7(h)(ii) of the Plan shall not apply. Section 11(a) is deleted and replaced with the following:

11. WITHHOLDING OBLIGATIONS.

(a) On each vesting date, and on or before the time you receive a distribution of the shares underlying your Restricted Stock Units, and at any other time as reasonably requested by the Company in accordance with applicable tax laws, you agree to make adequate arrangements satisfactory to the Company or adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate that arise in connection with your Award (the “**Withholding Taxes**”). Additionally, the Company or any Affiliate may satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company or an Affiliate; (ii) causing you to tender a cash payment; (iii) permitting you to enter into a “same day sale” commitment, if applicable, with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a “**FINRA Dealer**”) (subject to your written consent) whereby you irrevocably elect to sell a portion of the shares to be delivered in connection with your Restricted Stock Units to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and its Affiliates; or (iv) permitting you (subject to your written consent) to surrender Restricted Stock Units to the Company for a cash payment which shall be used to satisfy the Withholding Taxes, whereby the number of Restricted Stock Units that may be surrendered for a cash payment shall be equal to the Withholding Taxes divided by a Fair Market Value (measured as of the date shares of Common Stock are otherwise issuable to you pursuant to Section 6). However, the Company does not guarantee that you will be able to satisfy the Withholding Taxes through any of the methods described in the preceding provisions and in all circumstances you remain responsible for timely and fully satisfying the Withholding Taxes.

The following provision only applies if you reside in Quebec:

Language. The Participant confirms they were given the opportunity to review and negotiate this Award Agreement, and that they have expressly chosen to do so in the English language, and to use the English language for any future documents, and notices relating to the Option Agreement, as applicable.

Le Participant confirme qu'il a eu la possibilité d'examiner et de négocier la présente Convention d'attribution et qu'il a expressément choisi de le faire en anglais, y compris pour tout document ou avis futur s'y rattachant, le cas échéant.

Corporate Transactions. Sections 9(c)(v) and (vi) of the Plan shall not apply.

China

The following provisions govern your participation in the Plan if you are a national of the People's Republic of China ("**PRC**" or "**China**"). Notwithstanding the foregoing, the Company reserves the right to apply any or all of the following provisions to individuals who are not PRC nationals but resident in the PRC to the extent it determines such is necessary or advisable:

Vesting. Notwithstanding Section 2 or anything to the contrary in the Award Agreement or the Grant Notice, an Award will not vest and shall not become a Vested RSU until any necessary approval or registration (if required) from the PRC State Administration of Foreign Exchange or its local counterpart ("**SAFE**") under applicable exchange control rules has been received with respect to such RSU on or before the RSU expires.

Settlement of Awards and Sale of Common Stock. The Company may require that any shares of Common Stock acquired pursuant to the RSUs be sold, either immediately after issuance or within a specified period following the termination of your Continuous Service. You agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on your behalf pursuant to this authorization), and you expressly authorize the designated broker to complete the sale of such shares. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or the designated broker) to effectuate the sale of the shares (including, without limitation, as to the transfers of the proceeds and other exchange control matters provided below) and shall otherwise cooperate with the Company with respect to such matters, provided that you shall not be permitted to exercise any influence over how, when or whether the sales occur. You acknowledge that the designated broker is under no obligation to arrange for the sale of the shares at any particular price. Due to fluctuations in the share price and/or applicable exchange rates between the date the shares are issued and (if later) the date on which the shares are sold, the amount of proceeds ultimately distributed to you may be more or less than the Market Value of the shares on the Vesting Date or the date the shares are issued.

Upon the sale of the shares, the Company agrees to pay the cash proceeds from the sale (less any applicable Withholding Taxes, brokerage fees or commissions) to you in accordance with applicable exchange control laws and regulations.

Foreign Exchange Obligations. You understand and agree that, pursuant to exchange control laws in the PRC, you will be required to immediately repatriate to the PRC the cash proceeds from the sale of any shares issued upon vesting of the RSUs and, if applicable, any dividends you may receive in relation to the shares. You further understand that, under applicable law, such repatriation of your cash proceeds may need to be effected through a special exchange control account established by the Company or a Subsidiary in the PRC, and you hereby consent and agree that any proceeds you may receive as a result of participation in the Plan may be transferred to such special account prior to being delivered to you. Further, you acknowledge that the Company or a Subsidiary has no obligation to, but may, convert the proceeds that you realize from your participation in the Plan from U.S. dollars to Renminbi using any exchange rate chosen by the Company and, if funds are so converted, they will be converted as soon as practicable, which may not be immediately after the date that such proceeds were realized. If such currency conversion occurs, you will bear the risk of any fluctuation in the U.S. dollar/Renminbi exchange rate between the date you realize U.S. dollar proceeds from your participation in the Plan and the date that you receive cash proceeds converted to Renminbi. If the proceeds from your participation in the Plan are paid to you in U.S. dollars, you understand that you will be required to set up a U.S. dollar denominated bank account in the PRC and provide the bank account details to the Company or your

employer so that your proceeds may be deposited into the account. Finally, you agree to comply with any other requirements that may be imposed by the Company in the future to facilitate compliance with exchange control requirements in the PRC, as determined by the Company in its sole discretion.

Denmark

Stock Option Act. You acknowledge that you received the Employer Statement in Danish (a copy of which is appended hereto at Attachment I) which sets forth additional terms of the Award to the extent the Danish Stock Options Act applies.

Foreign Asset / Account Reporting. If you establish an account holding cash or shares of Common Stock outside Denmark, you must report the account to the Danish Tax Administration.

Finland

Compliance with Law. By accepting the Award and accepting the terms of the Award Agreement, you acknowledge and agree to comply with all applicable Finnish laws and pay any and all applicable Withholding Taxes associated with the Award, the sale of shares of Common Stock acquired under the Plan, and the receipt of any dividends paid on such shares of Common Stock.

Foreign Asset/Account Reporting. Finnish residents are required to report any security (e.g., shares of Common Stock acquired under the Plan) established outside of Finland on their annual tax return. Finnish residents should consult with their personal tax advisors to determine their personal reporting obligations.

Tax withholding. The following information assumes that you (the employee) are liable to unlimited tax in Finland. For employees with limited tax liability in Finland, taxation may be exempt in whole or in part in Finland depending on the circumstances in the individual case.

Upon vesting and settlement of the Awards, the benefit, i.e. the fair market value of Restricted Stock Unit awards at the time of vesting and settlement minus the total price paid for the Restricted Stock Unit awards (if any), is taxed as employment income at progressive rates, depending on your yearly income and municipal residency. Your Finnish employer will be responsible for making tax deductions and paying applicable employer's contributions.

The vesting and settlement of the Awards might lead to the need to for you to request for a new tax card or for prepayment from the Finnish Tax Administration. If the amount of withhold tax is too low to cover the taxes during the year, it might lead to residual taxes and late payment interest.

The tax deductions made by the employer relating to settlement of the Awards shall be performed during the calendar year either by adding the value of the benefit to the wages of the next pay period or by dividing the value into equal instalments over the remaining months of the year. If the benefit is significant, the withholdings shall be spread over the remaining months of the year. The tax deduction can only be made from cash salary and may not exceed the net salary for the current month the benefit should have been reported. Any excess tax on the benefit is to be paid by the employee to the tax authorities.

Any income tax withheld by your employer is not final. Your final income tax will be assessed based on the annual income tax return you will file the year following the settlement of the Awards.

Tax Reporting. You must report and pay income tax on the settlement of the Awards, on the dividends/dividend equivalents and the sales proceeds relating to the shares acquired under the Plan. In general, the statutory deadline of filing annual income tax returns for taxpayers is in May following the respective tax year, but in several cases tax advances should also be paid during the tax year to avoid residual taxes. However, you should consult with your personal tax advisor to ensure that you comply with applicable tax requirements in Finland.

Securities Law Information. Participation in the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation ((EU) Regulation 2017/1129) and the offering of the RSU Award or its underlying securities will only be made provided that it shall not require the Company to publish a prospectus pursuant to the EU Prospectus Regulation. This notice does not constitute a prospectus under the EU Prospectus Regulation and has therefore not been approved by or registered with the Finnish Financial Supervisory Authority or any other authority in Finland.

Language. You confirm having read and understood the documents relating to the Plan, including the Award Agreement with all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly and do not need their translation into Finnish or, if needed, you will be responsible for arranging such translation yourself.

Data Transfer. Section 24(a) (Data Transfer) is deleted and replaced with the following:

24. DATA PROCESSING AND DATA TRANSFER.

(a) By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). You understand that the provision of your personal data is a requirement necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time,

view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority (Data Protection Ombudsman). For more information on the processing of the Data, you may contact the Stock Plan Administrator.

Germany

Sole Contact and Contractual Partner Information. Please note that the Award, the Grant Notice, the Award Agreement, the Appendix and your participation in the Plan do not create any claims against the Affiliate of the Company you are employed by/your German employer either directly or indirectly. To be clear: your sole contact and sole contractual partner regarding the Plan and the Award is the Company and they are not part of your contractual salary.

Exchange Control Information. Cross-border payments in excess of € 50,000 must be reported monthly to the German Federal Bank (*Bundesbank*). In case of payments in connection with securities (including proceeds realized upon the sale of shares of Common Stock or the receipt of dividends), the report must be made by the 7th working day of the month following the month in which the payment was received. The report must be filed electronically and the form of report ("*Allgemeine Meldeportal Statistik*") can be accessed via the Bundesbank's website (www.bundesbank.de) in both German and English. You are responsible for making this report.

Foreign Asset/Account Reporting Information. German residents holding shares of Common Stock must notify their local tax office if the acquisition of shares of Common Stock leads to a so-called qualified participation at any point during the calendar year. A qualified participation is attained only in the unlikely event (i) you own at least 1% of the Company and the value of the shares of Common Stock acquired exceeds €150,000, or (ii) you hold shares of Common Stock exceeding 10% of the total capital of the Company.

Securities Disclaimer. The participation in the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Directive as implemented in Germany.

Data Transfer. Section 24 (a) (Data Transfer) is deleted and replaced with the following:

By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("**Data**"). You understand that the provision of your personal data is a requirement necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or

elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority (Data Protection Ombudsman). For more information on the processing of the Data, you may contact the Stock Plan Administrator.

Hungary

Compliance with Law. By accepting the Award and accepting the terms of the Plan and the Award Agreement, you acknowledge and agree that you are responsible for complying with all applicable Hungarian laws – and you shall not assume that the terms of the Plan and the Award Agreement summarize all requirements under applicable laws – and you acknowledge and undertake to report and pay any and all applicable taxes associated with the Award, the sale of shares of Common Stock acquired under the Plan, and the receipt of any dividends paid on such shares of Common Stock.

Continuous Service. By accepting the Award, the attached Plan and terms and conditions of the Award Agreement, and by signing the Grant Notice, you acknowledge that if your Continuous Service with your Hungarian employer – being the Subsidiary of the Company – terminates for any reason, any portion of your Award that has not vested will be forfeited upon such termination and you will have no further right, title or interest in the Award, the shares of Common Stock issuable pursuant to the Award, or any consideration in respect of the Award. For the sake of clarity, your Continuous Service will be considered terminated as of the termination date due to:

- a. the termination of your employment by the parties’ mutual consent (as referred to in para. 64.§(1)a) of the Hungarian Labor Code);
- b. the termination of your employment either by the Hungarian employer or you, as employee (as referred to in para. 64.§(1)b)-c) of the Hungarian Labor Code);
- c. the expiry of your fixed term employment relationship (as referred to in para. 63.§(1)c) of the Hungarian Labor Code);
- d. the Participant’s death (as referred to in para. 63.§(1)a) of the Hungarian Labor Code), or Disability; or
- e. the termination of the Hungarian employer without legal succession (as referred to in para. 63.§(1)b) of the Hungarian Labor Code),

(regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and your right to vest in the Award under the Plan and the Award Agreement, if any, will terminate with effect of termination date of your employment. The date when your employment has been terminated shall be determined by the applicable law or your agreement with your employer, and your employer shall notify thereof the Company in accordance with Article 14 (Notices) of the Award Agreement.

No entitlement or Claims for Compensation. As supplement of Section 10 (Award Not A Service Contract) of the Award Agreement, by accepting the Award, the attached Plan and terms and conditions of the Award Agreement, and by signing the Grant Notice, you acknowledge and undertake the following:

- a. the grant of this Award is voluntary and occasional, and does not create any contractual or other right to receive future grants of awards or any benefit based on this or on any potential reissued Award Agreement;
- b. the grant of this Award does not constitute any binding obligation on the Company's, or Hungarian employer's side to renew/reissue of a new Award (whether on the same or different terms) after the expiry of the definite term of this Award Agreement;
- c. your Award and any shares of Common Stock acquired under the Plan, and the income and value of same, are not part of normal or expected compensation, earnings, salaries, or other similar terms, under Hungarian labor law, used when calculating benefits under any employee benefit plan (other than the Plan) sponsored by the Company or any Affiliate except as such plan otherwise expressly provides, or for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, vacation, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;
- d. you consulted with your own personal tax, financial and legal advisors regarding the terms and conditions of the Award, the attached Plan, Award Notice and Award Agreement regarding the tax, social security and legal consequences thereof;
- e. the grant, vesting or settlement of your Award shall not give you an assumption, right, confirmation to continued employment with your Hungarian employer.

Securities Law Information. The grant of Awards and the settlement by the issuance of shares of Common Stock under the Plan qualifies as a private offering of securities in accordance with Section 14 of the Hungarian Capital Markets Act and Article 1(4)(i) of the EU Prospectus Regulation (2017/1129 EU Regulation).

The Company and the Participant acknowledge that the Company shall have the obligation to notify the Hungarian National Bank about any offering of Restricted Stock Units in accordance with the applicable laws of Hungary.

Legend. All written communication relating to grant of Awards in Hungary must contain a legend indicating that the granting and settlement is a "private offering" "*zártkörű forgalomba hozatal*" in Hungary.

Language. You confirm having read and understood the documents relating to the Plan, including the Award Agreement with all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly and do not need their translation into Hungarian or, if needed, you will be responsible for arranging such Hungarian translation yourself.

Data Transfer. Section 24(a) (Data Transfer) is deleted and replaced with the following:

24. DATA PROCESSING AND DATA TRANSFER.

(a) By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). You understand that the provision of your personal data is a requirement necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”) or your employer. The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection.

Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with the Hungarian supervisory authority, the NAIH (Nemzeti Adatvédelmi és Információszabadság Hatóság 1363 Budapest, Pf. 9), concerning the protection of your personal data (<https://www.naih.hu>).

At the preliminary stage of the offering, when the potential participating employees are approached and informed by the data controller on the plan, the legal basis for the collection, controlling, cross-border transfer and processing of the potential participating employee’s personal data is the “legitimate interest of the controller” and strictly the minimum personal data may be collected and transferred in order to launch the communication and administration of the plan. The legal basis for the collection, controlling, cross-border transfer and processing of personal data in connection with the implementation of the Plan will be execution of contract.

For more information on the processing of the Data, you may contact the Stock Plan Administrator.

Tax Reporting. You must report and pay income tax on the settlement of the Awards, on the dividends/dividend equivalents and the sales proceeds relating to the shares acquired under the Plan. In general, the statutory deadline of filing annual income tax returns for taxpayers is 20 May following the respective tax year, but in several cases tax advances should also be paid quarterly during the tax year. Please see the “Prospectus for 2017 Equity Incentive Plan” for details. However, you should consult with your personal tax advisor to ensure that you comply with applicable tax requirements in Hungary.

Withholding Obligations. By accepting the Award, the attached Plan and terms and conditions of the Award Agreement, and by signing the Grant Notice, you acknowledge that the Company is not obliged to assess, withhold or report your tax obligations under the applicable Hungarian tax laws with regard to the Restricted Stock Units. Your Hungarian employer may take over the fulfillment of such obligations on the Company’s behalf in which case you will be notified.

India

The following provisions govern your participation in the Plan if you are a person resident in India. It is clarified that the Company reserves the right to apply any or all of the following provisions to individuals who are not Indian citizens/nationals, but considered as persons resident in India, to the extent it determines necessary or advisable under applicable Indian laws.

Compliance with Law. By accepting the Award and accepting the terms of the Award Agreement, you acknowledge and agree to comply with all applicable Indian laws and pay any and all applicable taxes associated with the Award, the sale of shares of Common Stock acquired under the Plan, and the receipt of any dividends paid on such shares of Common Stock.

Foreign Exchange Obligations. Notwithstanding anything contained in the Plan, the Award Agreement and/or the Grant Notice, the offer and issuance of any shares of Common Stock to a person resident in India shall be subject to, and in accordance with applicable laws, including the (Indian) Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder (as amended from time to time), including the Foreign Exchange Management (Overseas Investment) Rules, 2022 and the Foreign Exchange Management (Overseas Investment) Regulations, 2022 (“**FEMA**”).

You may be subject to additional reporting and compliance requirements if the acquisition of the shares pursuant to the settlement of restricted stock units exceeds the applicable thresholds from time to time prescribed under FEMA (such threshold currently being 10% of the Company’s paid-up equity capital and / or acquisition of control). It is your responsibility to comply with these requirements if you breach the prescribed thresholds.

Exchange Control Reporting Requirements. On sale of the shares of Common Stock received upon settlement under the Plan or the receipt of any dividends on the Common Stock, you acknowledge your obligation and agree to (i) repatriate any proceeds from the sale of shares of Common Stock or the receipt of any dividends to India within 180 days of the date of sale or the date of the dividends falling due (as maybe applicable), unless such proceeds are reinvested in compliance with FEMA and (ii) to obtain a foreign inward remittance certificate (“**FIRC**”) from the bank in which you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or your employer requests proof of repatriation. You will inform the employer immediately upon any divestment of the stock units/shares held by you as required to be disclosed by the employer under FEMA. It is your responsibility to comply with these requirements. Neither the Company nor the

employer will be liable for any fines or penalties resulting from your failure to comply with any applicable laws.

Tax. By accepting the Award and accepting the terms of the Award Agreement, you acknowledge and agree to comply with all applicable Indian laws and report any income and pay any and all applicable taxes, as required by Indian laws, associated with the Award, the sale of shares of Common Stock acquired under the Plan, and the receipt of any dividends paid on such shares of Common Stock. You will co-operate with the board of directors of the Company and the Affiliate to ensure that the Company and the Affiliate are at all times compliant with all applicable laws. Without prejudice to the aforesaid, you will forthwith provide all necessary information upon request by the Affiliate in order for the Affiliate to make necessary filings with the regulatory authorities as required under applicable law. Where necessary and so directed by the Affiliate, you will make such payments/ deposit such amounts with the Affiliate so as to enable the Affiliate to comply with its tax obligations under applicable laws. You acknowledge and confirm that the entitlement to the shares of Common Stock is contingent upon you complying with your obligations herein, the Award Agreement and the Plan.

Tax Withholding Obligations. The following supplements Section 11 (Withholding Obligations) of the Award Agreement:

(d) As a condition of the vesting of your Award, you therefore unconditionally and irrevocably agree:

(i) to place the Company in funds and indemnify the Company in respect of (1) all liability to Indian income tax which the Company is liable to account for on your behalf directly to Government of India; (2) all liability towards depositing provident fund contributions which the Company is liable to deposit on your behalf with the provident fund commissioner; and (3) all liability towards provident fund contributions for which the Company is liable which arises as a consequence of or in connection with your Award (the “**India Tax Liability**”); or

(ii) to permit the Company to sell at the best price which it can reasonably obtain such number of shares of Common Stock allocated or allotted to you following vesting and as will provide the Company with an amount equal to the India Tax Liability; and to permit the Company to withhold an amount not exceeding the India Tax Liability from any payment made to you (including, but not limited to salary); and

(iii) to sign, promptly, all documents required by the Company to effect the terms of this provision, and references in this provision to “the Company” shall, if applicable, be construed as also referring to any Affiliate.

Privacy. Section 24 (Data Transfer) is deleted and replaced with the following:

24. Privacy. You explicitly and unambiguously consent to the collection, use, disclosure and transfer, in electronic or other form, of your personal information (as such term is defined in the Information Technology Act, 2000 read with the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011) as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other

identification number), salary, nationality, job title, any shares of stock or directorships held in the Company and/or any Affiliate, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“*Data*”). You understand and consent that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. You may request a list with the names and addresses of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “*Stock Plan Administrator*”). You authorize the recipients to receive, possess, process, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. You understand that refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, you may contact the Stock Plan Administrator.

General. Further, the Plan and the corresponding documents have neither been delivered for registration nor are they intended to be registered with any regulatory authorities in India. These documents are not intended for distribution and are meant solely for the consideration of the person to whom they are addressed and should not be reproduced by you.

Ireland

Securities Disclaimer. Neither the offer nor the award of RSUs, nor the subsequent issue of shares thereunder, to Irish resident Employees, Directors or Consultants will trigger a requirement to produce a prospectus under Irish securities laws given that such offer or award is made to fewer than 150 such persons in Ireland (being a *de minimus* exemption which may be availed of). This Award Agreement is not intended to be and is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 or the European Union (Prospectus) Regulations 2019 of Ireland (as amended). This Award Agreement has not been approved by any competent authority for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017.

Director and Company Secretary Notification Requirement. If you are a director (including a shadow director or a de facto director) or a company secretary of an Irish Affiliate of the Company whose interest in the Company represent more than 1% of the nominal value of the Company’s voting share capital, you are subject to certain notification requirements under Part 5, Chapter 5 of the Irish Companies Act 2014. In such a case, you must notify the relevant Irish subsidiary in writing, within five or eight days, depending on the circumstances involved, of receiving or disposing of an interest in the Company (including the grant of the RSUs and any shares of Common Stock in the Company acquired on vesting of the RSUs) and the number and class of shares or rights to which the interest relates. This notification

requirement also applies with respect to the interests of your spouse, civil partner and / or children under the age of 18 (whose interests will also be attributed to you).

Award Not a Service Contract. As a supplement to section 10 (c) of the Award Agreement, you acknowledge:

- (i) that you shall not be entitled to (and hereby waive) any compensation for the loss of any rights or benefits under any replacement or successor plan or award agreement.
- (ii) that your participation in the Plan and Award Agreement shall not form part of your terms and conditions of employment (either expressly or impliedly).

Employment Rights. Rights under the Plan or Award Agreement are not pensionable.

Governing Law and Jurisdiction. You expressly acknowledge and agree to the Choice of Law clause in the Plan and the Award Agreement and accept that Irish law does not apply and that Irish courts do not have any jurisdiction in regard to any claims under the Plan or the Award Agreement.

Italy.

Sole Contact and Contractual Partner Information. Please note that the Award, the Grant Notice, the Award Agreement, the Appendix and your participation in the Plan do not create any claims against the Affiliate of the Company you are employed by/your Italian employer either directly or indirectly. To be clear: your sole contact and sole contractual partner regarding the Plan and the granted RSUs is the Company and they are not part of your contractual salary.

Securities Law Information. You acknowledge that the Plan is not intended to be publicly offered in or from Italy. Neither the Award Agreement nor any other materials relating to the option constitutes a prospectus, and neither the Award Agreement nor any other materials relating to the Plan may be publicly distributed nor otherwise made publicly available in Italy.

Language Acknowledgement. You confirm having read and understood the documents relating to the Plan, including the Award Agreement, with all terms and conditions included therein, which were provided in the English language only. You confirm that you have sufficient language capabilities to understand these terms and conditions in full.

Lei conferma di aver letto e compreso i documenti relativi al Piano, incluso il Regolamento del Piano, con tutti i relativi termini e condizioni, che sono stati forniti unicamente in lingua inglese. Lei conferma altresì di avere una conoscenza della lingua inglese tale da aver compreso pienamente il contenuto di tale documentazione ed i suddetti termini e condizioni.

Data Transfer. Section 24(a) (Data Transfer) is deleted and replaced with the following:

24. Data Transfer.

(a) You consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal information

about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing; such withdrawal does not affect the lawfulness of processing based on consent before the withdrawal. You may also have a right to erasure, data portability, restriction of the processing and objection, as well as the right to lodge a complaint with a supervisory authority. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority. You understand that the provision of your personal data is a requirement necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix, therefore refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the processing of the data, you may contact the Stock Plan Administrator.

Plan Document Acknowledgement. By accepting the Award, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

You acknowledge that you have read and specifically and expressly approve the following sections of the Award Agreement and this Appendix, including: (10) Award Not a Service Contract; (11) Withholding Obligations; (12) Tax Consequences; (19) Choice of Law, (20) Severability; (24) Data Transfer; and (26) Language.

Foreign Asset/Account Reporting Information. If you are an Italian resident and, during any fiscal year, hold investments or financial assets outside of Italy (e.g., cash, shares of Common Stock) which may generate income taxable in Italy (or if you are the beneficial owner of such an investment or asset even if you do not directly hold the investment or asset), you are required to report such investments or assets on your annual tax return for such fiscal year (on *Redditi Persone Fisiche* Form, RW Schedule, or on a special form if you are not required to file a tax return).

Foreign Financial Assets Tax. The fair market value of any shares of Common Stock held outside of Italy is subject to a foreign assets tax. Financial assets include shares of Common Stock acquired under the Plan. The taxable amount will be the fair market value of the financial assets assessed at the end of

the calendar year. *You should consult with your personal tax advisor about the foreign financial assets tax.*

Japan

Securities Law Information. The Company notifies to you, and you acknowledge, that: (i) the solicitation of the Awards falls under the category of solicitation towards a small number of investors as provided in article 23-13.4 of the Financial Instruments and Exchange Law of Japan (*kinyuu shouhin torihiki hou*) (Law No. 25 of 1948, as amended) and therefore no notification under article 4.1 of the same has been made in respect of the solicitation; (ii) you are prohibited from transferring the Awards unless transferred as a whole; and (iii) the Awards cannot be divided into parts.

Foreign Asset/Account Reporting Information. Japanese residents are required to report details of any assets held outside of Japan as of December 31, including shares of Common Stock acquired under the Plan, to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report will be due by June 30 each year. You are responsible for complying with this reporting obligation if applicable to you and you should consult your personal tax advisor in this regard. If you do not comply with this reporting obligation, you may be subject to imprisonment of up to 1 year or a fine of up to ¥500,000.

Data Privacy. The following provision supplements Section 24 of the Award Agreement:

In the event that your Data is transferred to countries other than the EU/EEA or the United Kingdom, your employer, the Company and its subsidiaries will ensure that there are appropriate safeguards in place for the Data, such as by contract, at least as protective as those under the data privacy law of your country. Your employer, Company and its subsidiaries will put necessary measures in place, such as periodically confirming that the third-party recipient is taking appropriate measures compliant with the data privacy law of your country on a continuous basis, confirming any changes to the data privacy regulations of such third-party recipient's country that may affect the measures taken by the recipients, and taking further necessary measures such as requesting that the recipient take corrective measures or suspending the provision of personal data when any issues arise in the implementation of the appropriate measures. You may contact our Plan Administrator to request relevant information on the data transfer, such as the data privacy regulations of the country in which such recipient resides and the data protection measures taken by such recipient.

Latvia

Securities Disclaimer. The grant of the Award is exempt or excluded from the requirement to publish a prospectus under the Prospectus Regulation ((EU) Regulation 2017/1129). The Award is transferable and is not deemed to qualify as an offering of securities in Latvia within the meaning of the Prospectus Regulation. To the extent that a supervisory body would qualify the offering of the Award or its underlying securities as an offering of securities within the meaning of the Prospectus Regulation, such offering will only be made in reliance on Article 1(4) of the Prospectus Regulation provided that no such offering of securities shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation. Provided that a document is made available containing information on the number and nature of the Restricted Stock Units and the reasons for and details of the offer or allotment, the grants fall outside the supervision of the Bank of Latvia and no prospectus is required for this activity.

Tax Withholding. In the event your employer is required to pay any taxes or social security contributions as a result of settlement of the Award, you hereby unconditionally and irrevocably agree to make adequate provision for the satisfaction of those payable taxes and social contributions (including social contributions to be paid by your employer) whether by withholding from your net salary, direct payment to the employer, or otherwise as determined by the Company in its sole discretion.

Data Transfer. Section 24 (Data Transfer) is deleted and replaced with the following:

24. DATA PROCESSING AND DATA TRANSFER.

(a) By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data information about you, including, but not limited to, name, home address and telephone number, date of birth, identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). You understand that the provision of your personal data is a requirement necessary to enter into the Grant Notice, the Award Agreement and the Appendix. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”).

The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan.

You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority (Latvian Data State Inspectorate). For more information on the processing of the Data, you may contact the Stock Plan Administrator.

Mexico

No Entitlement or Claims for Compensation. These provisions supplement Section 10 (Award Not A Service Contract) of the Award Agreement that clarify that the grant, vesting or settlement of your Award does not give you a right to continued service/employment with your employer.

Modification. By accepting the grant of an Award, you understand and agree that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of your employment with your employer, as this benefit derives from a commercial relationship between you and the Company.

Policy Statement. The grant of the Award by the Company under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability. Under such scenario, is it expressly agreed by you that such situation would not be deemed as impacting your employment relationship with your employer in any way.

The Company, with registered offices at c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, DE, 19808, United States of America, is solely responsible for the administration and participation in the Plan and the acquisition of shares of Common Stock does not, in any way, establish an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis and your sole employer is a subsidiary of the Company (“**Employer**”), nor does it establish any rights between you and the Employer as the latter does not sponsor, contribute to, make any payment, grant any Award or have any relationship with the Plan, the Agreement and/or the Award, all of which are sponsored solely and exclusively by the Company which is the only party responsible for the contribution of any amount pursuant to the Plan and/or the Award Agreement and the only party responsible for making any payment or granting any Awards thereunder. Pursuant to the foregoing, you expressly agree and recognize for all legal purposes that your participation in the Plan, and any benefit associated therewith shall not be construed as being part of, derived from, or in any way related to the employment relationship that you may have with the Employer. As a result, the Award would not be considered for salary integration purposes, on the understanding that only those benefits that are directly covered by the Employer as a result of the employment relationship can be considered for this purpose, which is not the case in respect of the Award.

Plan Document Acknowledgment. By accepting the grant of an Award, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

In addition, by signing the Award Agreement, you further acknowledge that you have read and specifically and expressly approved the terms and conditions in Section 10 of the Agreement (Award Not A Service Contract) that clarify that the grant, vesting or settlement of an Award does not give you a right to continued service/employment with the Employer, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) neither the Company nor any Affiliate is responsible for any decrease in the value of the shares of Common Stock underlying the Award.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of your participation in the Plan and therefore you also grant a full and broad release to the Employer, the Company and any Affiliate with respect to any claim that may arise under the Plan.

Tax obligations. By accepting the grant of the Award and signing the Grant Notice, you acknowledge that it is your responsibility to review and confirm the tax effects that may be generated or derived from this acceptance, with your tax advisors.

You also acknowledge that you are aware that any tax triggered or derived from the granting and/or vesting of the Award shall be recognized in the monthly and annual income tax return and/or returns that shall be filed pursuant to Mexican law and the corresponding income tax payment shall be properly, duly and timely paid, if any.

Notwithstanding the foregoing, if your Employer is obliged to withhold the corresponding tax pursuant to applicable law, depending on the payment method of the vested Award, your Employer will provide you with a notice, no later than 5 days after the vesting of your Award, informing you that your Employer will make the corresponding withholdings, which would substitute your obligations to make a direct filing of the relevant income tax return and the corresponding payment.

Termination of Continuous Service. By accepting the grant of an Award and signing the Restricted Stock Unit Grant Notice, you acknowledge that you have read and specifically and expressly approved the terms and conditions in Section 6(b)(vi) of the Plan (*Termination of Participant's Continuous Service*) that clarify that if your employment relationship or Continuous Service with the Employer terminates for any reason, any portion of your Award that has not vested will be forfeited upon such termination and you will have no further right, title or interest in the Award, the shares of Common Stock issuable pursuant to the Award, or any consideration in respect of the Award.

In addition, by signing the Award Agreement, you further acknowledge and agree that for the purposes of the Award, your employment relationship or Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Employer (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and your right to vest in the Award under the Plan, if any, will terminate as of such date and will not be extended by any notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); and the Plan Administrator shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of the Award (including whether you may still be considered to be providing services while on a leave of absence).

Language. You acknowledge that you are sufficiently proficient in the English language, or have consulted with an advisor who is sufficiently proficient in English, so that you have a complete and accurate understanding of each and every of the terms and conditions of the Plan, the Award Agreement and the Restricted Stock Unit Grant Notice. If you have received the Plan, the Agreement, the Restricted Stock Unit Grant Notice, or any other document related to this Award translated into a language other than English and if the meaning of the translated version is different than the English version, you expressly agree that the English version will control.

Spanish Translation

Términos y Condiciones

Renuncia de Derechos o Reclamos por Compensación. *Estas disposiciones complementan la Sección 10 del Acuerdo, la cual aclara que el otorgamiento, conclusión del período para hacer exigible (vesting)*

o la liquidación de su "Award" no garantizan la continuación de sus servicios/relación con el Empleador.

Modificación. *Al aceptar el otorgamiento de su "Award", usted reconoce y acuerda que cualquier modificación del Plan o del Acuerdo de "Award" o su terminación, no constituirá un cambio o detrimento de los términos y condiciones de su relación con el Empleador; toda vez que este beneficio deriva de una relación comercial entre usted y la Compañía.*

Declaración de Política. *El Otorgamiento de su "Award" por la Compañía en virtud del Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier tiempo, sin responsabilidad alguna. Bajo este supuesto, queda expresamente aceptado por usted que dicha situación no podrá ser interpretada como un impacto sobre su relación de trabajo con el Empleador de ninguna manera. La Compañía, Snap, Inc., con oficinas registradas ubicadas en c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, DE, 19808, de los Estados Unidos de América, es la única responsable de la administración del Plan y de la participación en el mismo y la adquisición de Acciones no establece de forma alguna una relación de trabajo entre usted y la Compañía, ya que su participación en el Plan es completamente de naturaleza comercial y su único empleador es una subsidiaria de la Empresa ("**Empleador**"), así como tampoco establece ningún derecho entre usted y el Empleador toda vez que éste no patrocina, contribuye, hace pago alguno, otorga ninguna gratificación o compensación o tiene ninguna relación con el Plan, el Acuerdo y/o su "Award", los cuales son patrocinados única y exclusivamente por la Compañía, la cual es la única parte responsable por contribuir cualesquiera montos en términos del Plan y/o el Acuerdo y es la única parte responsable por realizar cualesquiera pagos u otorgar cualquier gratificación o compensación en términos del Plan, el Acuerdo y/o su "Award". En términos de lo anterior, usted acuerda y reconoce expresamente para todos los efectos legales a los que haya lugar que no se entenderá que su participación en el Plan, así como cualquier beneficio que derive del mismo, sean parte, deriven de o estén relacionados de cualquier forma con la relación laboral que usted pueda tener con el Empleador. En consecuencia, el "Award" no será considerado para efectos de integración salarial, en el entendido de que sólo aquellas prestaciones que cubre directamente el Empleador con motivo de la relación laboral pueden ser consideradas para tal efecto, lo cual no sucede en el caso del "Award".*

Reconocimiento del Documento del Plan. *Al aceptar el Otorgamiento de su "Award", usted reconoce que ha recibido una copia del Plan, ha revisado el mismo así como el Acuerdo de "Award" en su totalidad y que ha entendido y aceptado completamente todas las disposiciones contenidas en el Plan y en el Acuerdo de "Award".*

Adicionalmente, al firmar el Acuerdo de "Award", reconoce que ha leído, y que aprueba específica y expresamente los términos y condiciones contenidos en la Sección 10 del Acuerdo ("Award Not A Service Contract") en el cual se aclara que el otorgamiento, conclusión del período para hacer exigible (vesting) o la liquidación de su "Award", no garantizan la continuación de sus servicios/relación con el Empleador y donde además se encuentra claramente descrito y establecido lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el mismo es ofrecido por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) ni la Compañía, ni cualquier Filial son responsables por cualquier disminución en el valor de las Acciones en relación a su "RSU Award".

Finalmente, usted declara que no se reserva ninguna acción o derecho para interponer cualquier demanda en contra de la Compañía por cualquier compensación y/o daño o perjuicio alguno, como resultado de su participación en el Plan y, en consecuencia, otorga también el más amplio finiquito al

Empleador, así como a la Compañía y cualquier Filial con respecto a cualquier demanda que pudiera originarse en virtud del Plan.

Obligaciones fiscales. *Al aceptar el otorgamiento de su “Award” y al firmar el Aviso de Otorgamiento, usted reconoce que es su responsabilidad el revisar y confirmar los efectos fiscales que pudieran derivarse como consecuencia de esta aceptación, con sus asesores fiscales.*

Usted también reconoce que es de su conocimiento que cualquier impuesto generado por el otorgamiento y ejecución de su “Award” deberán ser reconocidos en su declaración o declaraciones mensuales y/o anual de impuesto sobre la renta que deberá ser presentada conforme a la ley aplicable y, el impuesto sobre la renta correspondiente deberá ser pagado en tiempo y forma, si hubiera alguno.

No obstante, en caso de que su Empleador estuviese obligado a efectuar la retención de impuestos correspondiente, dependiendo del método de pago de su “Award”, su Empleador le dará una notificación, dentro de los 5 días siguientes a partir del ejercicio de su “Award”, con la intención de informarle que su Empleador realizará la retención de impuesto sobre la renta, la cual sustituirá su obligación de la presentación directa de la declaración de impuesto sobre la renta relevante y el pago de impuestos correspondiente.

Terminación de Servicio Continuo. *Al aceptar el otorgamiento de su “Award” y firmar el Acuerdo de “Award”, usted reconoce que ha leído y aprobado específicamente y de manera expresa los términos y condiciones de la Sección 6(b)(vi) del Plan (“Termination of Participant’s Continuous Service”) la cual aclara que si su relación laboral o Servicio Continuo con el Empleador termina por cualquier razón, cualquier porción de su “Award” que no haya completado el período para ser exigible (vesting) se perderá al momento de dicha terminación y usted no tendrá ningún derecho, propiedad o interés con relación a su “Award”, las Acciones que pudieran emitirse en virtud de su “Award” o cualquier otra forma de compensación con relación a su “Award”.*

Adicionalmente a lo anterior, al firmar el Acuerdo de “Award”, usted reconoce que la cual aclara que para efectos de su “Award”, se considerará que su relación laboral o Servicio Continuo ha terminado en la fecha en la cual usted deje de prestar servicios activos al Empleador (sin importar la razón de dicha terminación o si se determina en cualquier momento que dicha terminación es inválida o violatoria a las leyes laborales de la jurisdicción donde usted preste sus servicios o los términos de su contrato de trabajo, en caso de aplicar) y que su derecho a hacer exigible (vest) su “Award” en los términos del Plan, en caso de aplicar, terminará a partir de dicha fecha y no se extenderá por cualquier período de aviso previo a la terminación, de suspensión (garden leave) o cualquier período similar que sea aplicable en términos de las leyes laborales de la jurisdicción donde usted preste sus servicios o los términos de su contrato de trabajo, en caso de aplicar, así como que el Administrador del Plan tendrá la discreción exclusiva para determinar el momento a partir del cual usted no esté prestando servicios activamente para efectos de su “RSU Award” (así como para determinar si se considerará que usted está prestando servicios durante un período de ausencia (leave of absence)).

Idioma. *Usted reconoce dominar y conocer el idioma inglés lo suficiente o en su defecto, que ha consultado con un experto que domina y conoce el idioma inglés lo suficiente para que usted tenga un entendimiento completo y preciso de todos y cada uno de los términos y condiciones del Plan, del Acuerdo y del Aviso de Otorgamiento. Si usted ha recibido una copia del Plan, el Acuerdo, el Aviso de Otorgamiento o cualquier otro documento relacionado con su “Award” traducido a cualquier idioma que no sea inglés y si en su caso el significado de dicha traducción es distinto al de la versión en inglés, usted acepta expresamente que la versión en inglés prevalecerá.*

Netherlands

**Attention! This investment falls outside AFM supervision.
No prospectus required for this activity.**



The grant of the Awards is exempt or excluded from the requirement to publish a prospectus under the Prospectus Regulation ((EU) Regulation 2017/1129) as amended from time to time. Only non-transferable Awards will be offered in the Netherlands and the Awards are not deemed to qualify as an offering of securities in the Netherlands within the meaning of the Prospectus Regulation. To the extent that a supervisory body would qualify the offering of Awards or its underlying securities as an offering of securities within the meaning of the Prospectus Regulation, such offering will only be made in reliance on Article 1(4) of the Prospectus Regulation provided that no such offering of securities shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation. The grants fall outside the supervision of the Dutch Authority for the Financial Markets and no prospectus is required for this activity.

Employment Matters. This provision supplements the definition of “Cause” set out in the Plan to the effect that “Cause” for termination of a Participant’s Continuous Service Status will also exist if an Employee’s relationship of employment with any Dutch Affiliate of the Company is terminated due to (i) circumstances where he or she is Summarily Dismissed (*ontslag op staande voet*) – pursuant to the judgment of a relevant court that has given a judgment which is not or no longer subject to appeal (*in kracht van gewijsde*) – within the meaning of sections 7:677 and 7:678 of the Dutch Civil Code or (ii) for the grounds described in section 7:669, paragraph 3, sub d to (and including) i of the Dutch Civil Code) – pursuant to the judgment of a relevant court that has given a judgment which is not or no longer subject to appeal (*in kracht van gewijsde*).

Termination of Continuous Service. By accepting the grant of an Award and signing the Restricted Stock Unit Grant Notice, you acknowledge that you have read and specifically and expressly approved the terms and conditions of the Plan, Restricted Stock Unit Grant Notice and the Award Agreement that clarify that if your employment relationship or Continuous Service with the Company and/or any of its Affiliates terminates for any reason, including – but not limited to – resignation, disciplinary dismissal, individual or collective layoff on economic-, production-related-, organizational- and/or technical ground, any other type of objective dismissal or summary dismissal, any portion of your Award that has not vested will be forfeited upon such termination and you will have no further right, title or interest in the Award, the shares of Common Stock issuable pursuant to the Award, or any consideration in respect of the Award.

In addition, by signing the Award Agreement, you further acknowledge and agree that for the purposes of the Award, your employment relationship or Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Company and/or any of its Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and your right to vest in the Award under the Plan, if any, will terminate as of such date and will not be extended by any notice period or any period of “garden leave” or similar period mandated under

employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); and the Plan Administrator shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of the Award (including whether you may still be considered to be providing services while on a leave of absence).

Withholding Obligations. Notwithstanding any other provision of the Plan or the Award Agreement, any employer's social security due in the Netherlands as referred to in the Social Insurance Funding Act (*Wet financiering sociale verzekeringen*) remains for the account of the Company or an Affiliate (or your employer, if different).

Data Transfer. Section 24(a) (Data Transfer) is deleted and replaced with the following:

24. DATA PROCESSING AND DATA TRANSFER.

(a) By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("**Data**"). You understand that the provision of your personal data is necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and/or your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the "**Stock Plan Administrator**"). The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, or require any necessary amendments to the Data, in any case without cost, by contacting the Stock Plan Administrator in writing. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection in relation to the Data. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority (in the Netherlands, the *Autoriteit Persoonsgegevens*). For more information on the processing of the Data, you may contact the Stock Plan Administrator.

New Zealand

Securities Law Information.

Warning. This is an offer of RSUs in respect of shares in the Company's Common Stock. Shares of Common Stock give you a stake in the ownership of the Company. You may receive a return if dividends are paid.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors and holders of preference shares have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision.

The usual rules do not apply to this offer because it is made under an employee share purchase scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

The Company intends to quote the Common Stock on the NYSE stock exchange. This means you may be able to sell them on the NYSE stock exchange if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Common Stock.

Prior to the time that shares of Common Stock have been delivered to you, you may not transfer, pledge, sell or otherwise dispose of this Award or the shares issuable in respect of your Award. For example, you may not use shares that may be issued in respect of your Restricted Stock Units as security for a loan. The restrictions on transfer will lapse upon delivery to you of shares in respect of your vested Restricted Stock Units.

In addition, you are hereby notified that you have a right to receive a copy of the documents listed below on making a request to the Company. You may obtain a copy of these documents from the SEC website (<https://www.sec.gov/search-filings>):

1. Company's most recent Annual Report (Form 10-K)
2. Company's most recent published financial statements
3. The Plan and the Award Agreement

You acknowledge that you may have a copy of the above documents sent to you, without fee, on written request being mailed to the Company Attn: The General Counsel, 3000 31st Street, Santa Monica, CA 90405, United States. The telephone number at the executive offices is (310) 399-3339.

As noted above, you are advised to carefully read the materials provided before making a decision whether to participate in the Plan. You are also encouraged to contact your personal tax advisor for specific information concerning your personal tax situation with regard to Plan participation.

Privacy. Section 24 (Data Transfer) is deleted and replaced with the following:

24. PRIVACY. You explicitly and unambiguously consent to the collection, holding, use and disclosure, in electronic or other form, of your personal information (as that term is defined in the Privacy Act 2020) as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal information about you, including, but not limited to, name, home address and telephone number, email address and other contact details, date of birth, IRD number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). The collection of this information may be required for compliance with various legislation, including the Financial Markets Conduct Act 2013, the Financial Market Conduct Regulations 2014 and applicable taxation legislation. You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protection of your personal data than your country. You may request a list with the names and addresses of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). You authorize the recipients to collect, hold, use and disclose the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any shares of the Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan or for the period required by law, whichever is the longer. You may, at any time, refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. You may at any time request the correction or amendment of the Data held by your employer, the Company and its Affiliates by contacting the Stock Plan Administrator in writing. Provided the request is reasonable within the circumstances for the Stock Plan Administrator to do so, the Stock Plan Administrator will make the requested change or correction, or otherwise will take reasonable steps to mark the information as having been subject to a change or correction request. You understand that refusing or withdrawing consent may affect your ability to participate in the Plan. You acknowledge that further information on how your employer, the Company and its Affiliates collect, hold, use and disclose Data and other personal information (and how you can access, correct or complain about the handling of that Data or other personal information by your employer, the Company and its Affiliates) can be found at this link in the privacy policies of your employer, the Company and its Affiliates (as applicable).

Norway

Securities Law Information. Participation in the Plan is exempt or excluded from the requirement to publish a prospectus under the Securities Trading Act 2007, Chapter 7 (ref. EU Prospectus Regulation ((EU) Regulation 2017/1129) and the EEA Agreement Annex IX no. 29bd)) and the offering of the RSU Award or its underlying securities will only be made provided that it shall not require the Company to publish a prospectus pursuant to the Securities Trading Act 2007 Chapter 7. This notice does not constitute a prospectus and has therefore not been approved by or registered with the Norwegian Financial Supervisory Authority or any other authority in Norway.

Exchange Control. You understand and agree that foreign and local banks, financial institutions (including brokers) and others engaged in cross-border transactions generally may be required to report any payments to or from a foreign country, to Norwegian authorities (e.g. the Norwegian Tax Office). This requirement may apply even if you have a brokerage account with a foreign broker.

Data Transfer. This provision supplements Section 24 of the Award Agreement:

The data controller is Snap Inc. 3000 31st Street, Santa Monica, CA 90405, United States. The data controller's representative in Norway is Snap Norway AS.

Data Transfer. Section 24(a) (Data Transfer) is deleted and replaced with the following:

24. DATA PROCESSING AND DATA TRANSFER.

(a) By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). You understand that the provision of your personal data is a requirement necessary to enter into the RSU Grant Notice, the Award Agreement and the Appendix. You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority (Datatilsynet). For more information on the processing of the Data, you may contact the Stock Plan Administrator.

Qatar

The interests contained in the Plan, have not been offered, or sold and will not be offered, or sold, at any time, directly or indirectly, in the state of Qatar that would constitute a public offering of securities under Qatar law. This Award Agreement and any other ancillary documentation (“issue documents”) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in the state of Qatar and have not been reviewed or approved, or registered or licensed by the Qatar Central Bank, the Qatar Financial Centre Regulatory Authority, the Qatar Financial Markets Authority or any other regulator in the state of Qatar. The issue documents are intended only to be provided on an exclusive basis to the specifically intended recipient, at the recipient’s request, and for that recipient’s personal use only and is not intended to be made available to the public and is not capable of being distributed to any other person or to the public in general. Any distribution of this notice by the recipient to third parties in Qatar is not authorised and shall be at the liability of the recipient. Nothing in the issue documents is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of an investment fund or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre.

Securities Law Information. Participation in the Plan is being offered only to Employees, Consultants and Directors of the Company and its Affiliates, and is in the nature of providing equity incentives to those providing services in the State of Qatar. The issue documents are intended for distribution only to such participants and must not be delivered to, or relied on by, any other person. You should conduct your own due diligence on the securities. If you do not understand the contents of the issue documents, you understand that you should consult an authorized financial adviser.

Choice of Law and Jurisdiction: The parties to the issue documents hereby agree that any disputes arising under or in connection with the issue documents shall be referred to arbitration at and in accordance with the Employment Arbitration Rules of the Judicial Arbitration and Mediation Services. The seat, or legal place, of arbitration shall be Los Angeles, California, United States of America. The number of arbitrators shall be one. The language to be used in the arbitration is English.

Saudi Arabia

Securities Law Information. Participation in the Plan is being offered only to those persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia, and the Plan and the Award Agreement may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under such rules.

The Capital Market Authority of the Kingdom of Saudi Arabia does not make any representation as to the accuracy or completeness of the Award Agreement, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of the Award or the Award Agreement. As such, you are hereby advised to conduct your own due diligence on the accuracy of the information relating to the Restricted Stock Units. If you do not understand the contents of the Award, the Award Agreement, or the Plan, you should consult an authorized financial advisor.

Singapore

Restriction on Sale of Shares. Shares of Common Stock acquired under the Plan prior to the six (6) month anniversary of the date of grant may not be sold or otherwise offered for sale in Singapore, unless

such sale or offer is made (i) more than six months after the date of grant; or (ii) pursuant to the exemptions under Part 13 Division (1) Subdivision (4) (other than section 280) of the Singapore Securities and Futures Act 2001 (“*SFA*”) or pursuant to, and in accordance with the conditions of, any other applicable provision(s) of the SFA.

Securities Law Information. The Award is being granted to you pursuant to the “qualifying person” exemption under section 273(1)(i), read with section 273(4) of the SFA. The Plan has not been, nor will it be, lodged or registered as a prospectus with the Monetary Authority of Singapore.

Chief Executive Officer and Director Notification Obligation. You acknowledge that if you are the Chief Executive Officer (“*CEO*”) or a director, as defined under the Singapore Companies Act 1967 (“*Singapore Companies Act*”) of a Singapore-incorporated subsidiary (“*Singapore Subsidiary*”), you are subject to certain disclosure requirements under the Singapore Companies Act and the SFA. Among these requirements is an obligation to notify the Singapore Subsidiary in writing of any interest in shares, debentures, participatory interests, rights, options (e.g., Awards or shares of Common Stock) or contracts under which you have a right to call for or to make delivery of shares in the Singapore Subsidiary and/or its “related corporation” as defined under the Singapore Companies Act, within two business days of (i) its acquisition or disposal, or (ii) becoming a CEO or a director, whichever is later. In addition, you are also required to notify the Singapore Subsidiary in writing of any change in previously disclosed interest (e.g., when the shares of Common Stock are sold) within two business days after the occurrence of the event giving rise to the change.

Personal Data. Section 24 (Data Transfer) of the Award Agreement is deleted and replaced with the following:

“You explicitly and unambiguously acknowledge and consent to the collection, use, disclosure and transfer, in electronic or other form, of your Personal Data as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Personal Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the US, and that the recipient country may have different data privacy laws providing less protections of your Personal Data than Singapore, in which case the Company will ensure that such recipient(s) provide a standard of protection to such Personal Data so transferred that is comparable to the protection under the Singapore Personal Data Protection Act 2012 (“*PDPA*”). You may request a list with the names and addresses of any potential recipients of the Personal Data by contacting the stock plan administrator at the Company (the “*Stock Plan Administrator*”). You acknowledge that the recipients may receive, possess, process, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Personal Data, as may be required to a broker or other third party with whom you may elect to deposit any shares of Common Stock acquired upon the vesting of your RSU Award. You understand that Personal Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that the purposes for which your Personal Data will be collected or held may continue to apply even in situations where your employment with your employer has been terminated or altered. You may, at any time, view the Personal Data, request additional information about the storage and processing of the Personal Data, require any necessary amendments to the Personal Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing.

For the purposes of this clause, “Personal Data” has the same meaning as set out in the PDPA.”

Spain

Continuous Service. The following provision substitutes Section 13(p) of the Plan.

Continuous Service means that the Participant’s service with the Company or an Affiliate, whether as an Employee or Director, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee or Director or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant’s service with the Company or an Affiliate, will not terminate a Participant’s Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, in its sole discretion, such Participant’s Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate.

The service of an Employee or Director is considered interrupted in case of voluntary extended leaves of absence (“*excedencia voluntaria*” or “*licencias no retribuidas*”).

No Entitlement for Claims or Compensation. The following provision supplements Section 10 of the Award Agreement that clarify that the grant, vesting, or settlement of your Award does not give you a right to continued service/employment:

By accepting the grant of the Award, you consent to participation in the Plan and acknowledge that you have received a copy of the Plan document.

You understand that the Company has unilaterally, gratuitously and in its sole discretion decided to make grants of Awards under the Plan to individuals who may be Employees, Directors and Consultants throughout the world. The decision is limited and entered into based upon the express assumption and condition that any Awards will not economically or otherwise bind the Company or any Affiliate, including your employer, on an ongoing basis, other than as expressly set forth in the Award Agreement. Consequently, you understand that the grant of Awards is made on the assumption and condition that the Awards shall not become part of any employment contract (whether with the Company or any Affiliate, including your employer) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Furthermore, you understand and freely accept that there is no guarantee that any benefit whatsoever shall arise from the Awards, which are gratuitous and discretionary, since the future value of the Awards and the underlying shares of Common Stock is unknown and unpredictable.

You understand and agree that, as a condition of the grant of the Awards, your termination of Continuous Service for any reason (including for the reasons listed below) will automatically result in the cancellation and loss of any Awards that may have been granted to you and that were not fully vested on the date of termination of your Continuous Service. In particular, you understand and agree that, unless otherwise expressly provided for by the Company at the Date of Grant, the Awards not fully vested at the date of termination will be cancelled without entitlement to the shares or to any amount as indemnification if you terminate employment by reason of, including, but not limited to: resignation, death, disability, retirement, disciplinary dismissal or redundancy adjudged to be with or without cause, disciplinary dismissal or redundancy acknowledge to be without cause, economic, production-related, organizational and technical grounds, any other type of objective dismissal, termination decided by the employee due to material alteration of working terms & conditions of employment under Article 41 of the Workers’

Statute, refusal to relocate under Article 40 of the Workers' Statute, or constructive termination under article 50 of the Workers' Statute, and terminations or withdrawals of senior manager contracts under Royal Decree 1382/1985.

Your Continuous Service will be considered terminated as of the effective date of termination of your employment contract in Spain and effective date of deregistration from the Spanish Social Security as a consequence of such termination.

You also understand that this grant of an Award would not be made but for the assumptions and conditions set forth hereinabove; thus, you understand, acknowledge and freely accept that, should any or all of the assumptions be mistaken or any of the conditions not be met for any reason, the grant, the Award and any right to the underlying shares of Common Stock shall be null and void.

Securities Law Information. The Restricted Stock Units described in the Award Agreement and this Appendix do not qualify under Spanish regulations as securities. No "public offering of securities" (in Spanish, *oferta al público de valores*), as defined under Spanish law, has taken place or will take place in the Spanish territory. The Award Agreement (including this Appendix) has not been nor will it be registered with the Spanish Securities Exchange Commission (In Spanish, *Comisión Nacional del Mercado de Valores* or *CNMV*), and does not constitute a public offering prospectus (in Spanish, *folleto informativo*) in accordance with the provisions of Article 34 of the Royal Legislative Decree 4/2015, of 23 October, by which it is approved a recast text of the Securities Market Law and therefore there is no obligation to approve, register and publish a prospectus (in Spanish, *folleto informativo*) with the CNMV.

The grant of the Award should be exempt as a non-transferable security. If this is challenged, the exemption for an offering (i) addressed to fewer than 150 investors per country or (ii) for an amount lower than €8,000,000 in the European Union, may be relied upon instead.

Foreign Assets and Transaction Reporting. You may be subject to certain tax reporting requirements with respect to assets or rights that you hold outside of Spain, including bank accounts, securities and real estate if the aggregate value for particular category of assets exceeds €50,000 as of December 31 each year. Shares acquired under the Plan or other equity programs offered by the Company constitute securities for purposes of this requirement, but unvested awards (e.g., Restricted Stock Units, etc.) are not considered assets or rights for purposes of this reporting requirement.

If applicable, you must report the assets on Form 720 by no later than March 31 following the end of the relevant year. After the rights and/or assets are initially reported, the reporting obligation will only apply if (a) the value of previously-reported rights or assets increases by more than €20,000 as of each subsequent December 31, or (b) upon disposition of the previously-reported rights or assets. You are encouraged to consult with your personal advisor to determine any obligations in this respect.

In addition, according to the Bank of Spain Circular 4/2012, of 25 April, on rules for the reporting by residents in Spain of economic transactions and balances of financial assets and liabilities abroad, you may be required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (e.g., shares of Common Stock) and any transactions with non-Spanish residents (including any payments of cash or shares made to you by the Company or a U.S. brokerage account) if the balances in such accounts together with the value of such instruments as of December 31 of the relevant year, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000 threshold has been surpassed in either respect, you will generally be required to report all of your foreign accounts, foreign instruments and

transactions with non-Spanish residents, even if the relevant threshold has not been crossed for an individual item.

You will generally only be required to report on an annual basis (by January 20 of each year); however, if the balances in your foreign accounts together with value of your foreign instruments or the volume of transactions with non-Spanish residents exceed €100,000,000, you acknowledge that more frequent reporting will be required (quarterly, if such amount does not exceed €300,000,000, or monthly, if it does). It should also be noted that the annual declaration may be submitted in a summary form if the referred amount does not exceed €50,000,000.

You are encouraged to consult with your personal advisor to determine any obligations in this respect.

Share Reporting Requirement. As the Company is listed, you must declare the acquisition, ownership and disposition of shares of Common Stock to the Spanish *Dirección General de Comercio Internacional e Inversiones* (the “**DGCII**”) of the Ministry of Economic affairs and Digital Transformation (*Ministerio de Asuntos Económicos y Transformación Digital*) through the relevant form (Form D-6) if your stake is equal or higher than 10% of the Company’s share capital or voting rights. Additionally, you must file with the DGCII an annual report, by means of D-8 form, within the first nine months of each calendar year in relation to foreign investment related to the prior year if (i) your investment is in branch offices (sucursales), regardless the amount of investment; (ii) the equity of the foreign company you are investing in is higher than €1,502,530.27 and you hold 10% or more of the share capital or the voting rights of the Company; (iii) your investment is in companies engaged in holding, directly or indirectly, shares in other companies, regardless the amount of investment.. You should consult with your personal advisor to determine your obligations in this respect.

Tax. The Spanish Personal Income Tax (“**PIT**”) implications resulting from the Award as employee of an Affiliate (that is incorporated in Spain), should imply that when the Award is settled (and you become a holder of the shares of Common Stock) you will obtain employment income (i.e., *rendimiento del trabajo*).

The applicable PIT rate would depend on your personal circumstances and your yearly income. You are encouraged to consult your personal advisor to determine your specific taxable income for PIT purposes at the time the Award is settled.

Other tax considerations. The ownership of shares may make you liable for filing the Spanish Wealth Tax return or the Temporary Solidarity Tax return. Additionally, any income derived from the ownership of the Company’s shares (i.e., dividends) should be reported in the PIT tax return.

You should consult with your personal advisor to determine your obligations in this respect.

Data Transfer. Section 24 (Data Transfer) is deleted and replaced with the following

24. Data Transfer.

By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. The legitimate ground for this processing is the execution and performance of the Plan, the Restricted Stock Unit Grant

Notice, the Award Agreement and the Appendix, and the compliance with legal duties. You understand that the Company, its Affiliates and your employer hold certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“**Data**”). The data controller of your Data is SNAPCHAT, S.L., a private limited liability company with registered address at Avenida Doctor Arce 14, 28002 Madrid, Spain. You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with the applicable statutory requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). Your Data may be transferred to a broker or other third party with whom you may elect to deposit any shares of Common Stock acquired upon the vesting of the Award for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan or until the purpose for which they were collected is fulfilled, subsequently, for the period during which any kind of liability may arise from a legal or contractual obligation. You may, at any time, exercise your rights of access, rectification, erasure, limitation and objection, as well as other rights recognized by the applicable data protection laws from time to time, refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. You understand that refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, you may contact the Stock Plan Administrator. You may file any claim or request related to your data protection rights before the Spanish Data Protection Authority (AEPD) at www.aepd.es or the following postal address: C/ Jorge Juan, 6, 28001 – Madrid. For more information on the processing of the Data, you may contact the Stock Plan Administrator or please visit our privacy policy at link.

Sweden

Securities Law Information. Participation in the Plan is exempt or excluded from the requirement to publish a prospectus under the EU Prospectus Regulation ((EU) Regulation 2017/1129) and the offering of the RSU Award or its underlying securities will only be made provided that it shall not require the Company to publish a prospectus pursuant to the EU Prospectus Regulation. This notice does not constitute a prospectus under the EU Prospectus Regulation and has therefore not been approved by or registered with the Swedish Financial Supervisory Authority or any other authority in Sweden.

Exchange Control. You understand and agree that foreign and local banks, financial institutions (including brokers) and others engaged in cross-border transactions generally may be required to report any payments to or from a foreign country exceeding SEK 150,000 in one or several payments, to

Swedish authorities (e.g. the Swedish Tax Agency). This requirement may apply even if you have a brokerage account with a foreign broker.

Withholding Obligations. Section 11(a)(ii-iv) and section 11(b) of the Award Agreement shall not apply to Swedish residents.

Tax Withholding. The following information assumes that you (the employee) are liable to unlimited tax in Sweden. For employees with limited tax liability in Sweden, taxation may be exempt in whole or in part in Sweden depending on the circumstances in the individual case.

Upon vesting and settlement of the Awards the benefit, i.e. the fair market value of Restricted Stock Unit awards at the time of vesting and settlement minus the total price paid for the Restricted Stock Unit awards (if any), is taxed as employment income at progressive rates, depending on your yearly income and municipal residency. If any dividend is received during vesting, it will be taxed as employment income. You are obliged to report to the employer (the Swedish subsidiary of the group) when the Awards are settled as well as any potential dividends received before settlement of the Awards. Your Swedish employer will be responsible for making tax deductions and paying employer's contributions, this is the case even if you have moved abroad at the time of the vesting and settlement of the Awards.

The tax deduction can only be made from cash salary and may not exceed the net salary for the current month the benefit should have been reported. Any excess tax, on the benefit, is to be paid by the employee to the tax authorities.

Any income tax withheld by your employer is not final. Your final income tax will be assessed based on the annual income tax return you will file the year following the settlement of the Awards.

Data Transfer. Section 24(a) (Data Transfer) is deleted and replaced with the following:

24. DATA PROCESSING AND DATA TRANSFER.

- (a) By participating in the Plan, you acknowledge that your personal data will be collected, used and transferred, in electronic or other form, as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company, its Affiliates and your employer hold certain personal data information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("**Data**"). You understand that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data than your country. Where Data is to be transferred to a country which is not recognized as providing the same level of legal protection of personal data as in the European Economic Area, the Company, its Affiliates and your employer shall implement appropriate safeguards (e.g., the European Commission's Standard Contractual Clauses) in accordance with applicable statutory

requirements to ensure that any such transfer of Data is performed in accordance with such applicable legal requirements. You may request a list with the names and addresses of the data processors and any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. In accordance with the statutory provisions, you may, at any time, view the Data, request additional information about the storage and processing of the Data (right to information), require any necessary amendments to the Data (right to rectification) or refuse or withdraw the consents herein with effect for the future, as well as exercise your rights to erasure, data portability, restriction of the processing and objection, in any case without cost, by contacting the Stock Plan Administrator in writing. Further, you have a right to lodge a complaint with a competent data protection authority (in Sweden, the Swedish Authority for Privacy Protection (IMY) (Sw. *Integritetsskyddsmyndigheten*)). You understand that refusing or withdrawing consent may affect your ability to participate in the Plan. For more information on the processing of the Data, you may contact the Stock Plan Administrator.

Switzerland

Sole Contact and Contractual Partner Information. You acknowledge that your Restricted Stock Units, the Grant Notice, this Award Agreement and your participation in the Plan does not create any claims against the Affiliate you may be working for, either directly or indirectly. To be clear: Your sole contract and sole contractual partner regarding the Plan, the Grant Notice, this Award Agreement and the granted Restricted Stock Units is the Company (i.e. Snap, Inc.) and the granted Restricted Stock Units do not form part of your contractual compensation.

Continuous Service. Notwithstanding anything else in the Plan or the Award Agreement, the status as a service provider or Employee will be deemed to end on the date when a termination notice is received (and not at the end of any notice period) in regard to your employment or your assignment to the Company or any Affiliate, regardless of whether the cessation of the employment or assignment was lawful, and shall not include any period notice of termination or any period of salary continuance or deemed employment or contractual relationship. As a result, if you receive notice of termination your status as a service provider or Employee will end on the date you receive such notice from the Company or the Affiliate engaging you.

Securities Law Information. The Restricted Stock Units are not intended to be publicly offered in or from Switzerland. Because the Award is considered a private offering, it is not subject to securities registration in Switzerland. Neither this document nor any other materials relating to the Restricted Stock Units and/or the underlying shares (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“**FinSA**”); (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than a Participant; or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (“**FINMA**”).

Grant of the Award. The Restricted Stock Units granted to you are a voluntary gratuity (*Gratifikation; gratification*) within the meaning of Article 322d Swiss Code of Obligations (CO) as determined at the Company's sole discretion which you have no entitlement to and which does not constitute an entitlement for a grant of further Restricted Stock Units or other equities in the future.

Vesting. You acknowledge and confirm that the Restricted Stock Units grant is fully discretionary and that before the Restricted Stock Units have vested and all conditions as provided for in the Plan, the Grant Notice and the Award Agreement are met, you shall not have any right in regard to such Restricted Stock Units or the Award. You explicitly acknowledge and confirm that, even after the Award has vested, the Award is still fully discretionary and the Company may in its sole discretion impose further conditions to the Award.

Purchase Price: You herewith directly authorize the Company, the Affiliate (or employer of record) employing you to make all arrangements (if any) to deduct the purchase price in respect of the Restricted Stock Units (if any) owed by you to the Company from any compensation owed to you by the Company, the Affiliate (or employer of record) employing you, subject to any statutory limitations. If your compensation is not sufficient to cover any such purchase price you will indemnify the Company and the Affiliate (or employer of record) employing you upon first demand.

Disability. For the avoidance of any doubt, “Disability” shall include, but not be limited to, any permanent disability as per the social security laws of Switzerland.

Social Security and Tax: You herewith directly authorize the Company and the Affiliate (or employer of record) employing you to make all (if any) applicable social security, insurance and tax deductions resulting from the grant and/or vesting of the Restricted Stock Units or the sale of shares from any compensation owed to you by the Company or the Affiliate (or employer of record) employing you, subject to any statutory limitations. If your compensation shall not be sufficient to cover such social security, insurance and tax liabilities, you will indemnify the Company, the Affiliate (or employer of record) employing you upon first demand.

Cause. “Cause” shall include, but not be limited to, all reasons entitling to a summary dismissal pursuant to article 337 of the Swiss Code of Obligations (CO) and all justified reasons pursuant to article 340c para. 2 CO, without limiting the definition of Cause as outlined in the Plan. You expressly acknowledge that the definition of Cause as per the Plan shall include any crime or felony under Swiss laws and any breaches against your duties and in respect of the Company or the Affiliate employing you or the Affiliate to which you have been assigned to, and not only in respect of the Company.

Language Acknowledgement. You confirm that you have read and understood the documents relating to the Plan, including the Award Agreement, with all terms and conditions included therein, which were provided in the English language only. You confirm that you have sufficient language capabilities to understand these terms and conditions in full.

Sie bestätigen, dass Sie den Plan sowie die dazugehörigen Dokumente, inklusive der Vereinbarung, mit all den darin enthaltenen Bedingungen und Voraussetzungen, welche in englischer Sprache verfasst sind, gelesen und verstanden haben. Sie bestätigen, dass Ihre Sprachkenntnisse genügend sind, um die Bedingungen und Voraussetzungen zu verstehen.

Vous confirmez que vous avez lu et compris les documents relatifs au plan, y compris la convention d'attribution, avec toutes les conditions qui y sont incluses, qui ont été fournies en langue anglaise uniquement. Vous confirmez que vous avez des capacités linguistiques suffisantes pour comprendre ces termes et conditions dans leur intégralité.

Confermate di aver letto e compreso i documenti relativi al Piano, compreso l'Accordo di opzione, con tutti i termini e le condizioni ivi inclusi, che sono stati forniti solo in lingua inglese. Confermate di avere capacità linguistiche sufficienti per comprendere appieno questi termini e condizioni.

No Right against Employer. You expressly acknowledge that you shall not have any right or claim under the Plan, the Restricted Stock Units, the Grant Notice this Award Agreement against the Affiliate employing you. You expressly acknowledge and agrees that you only have any right and claim against the Company, i.e. Snap, Inc. as set out under the Plan and the Award Agreement.

Governing Law and Jurisdiction. You expressly acknowledge and agree to the Choice of Law clause in the Plan and the Award Agreement and accept that Swiss law does not apply and that Swiss courts do not have any jurisdiction in regard to any claims under the Plan and the Award Agreement. You expressly agree to the exclusive jurisdiction of the courts in Delaware, USA in regard to all claims resulting from the grant of the Restricted Stock Units, the Grant Notice, the Award Agreement and the Plan.

Taiwan

Data Privacy. The following provision supplements Section 24 of the Award Agreement:

You hereby acknowledge having read and understood the terms regarding the collection, processing and transfer of Data contained in Section 24 of the Award Agreement and, by participating in the Plan, you agree to such terms. In this regard, upon request of the Company or your employer (the “**Employer**”), you agree to provide any executed data privacy consent form or any other agreements or consents that may be required by the Employer or the Company that the Company and/or the Employer may deem necessary under applicable data privacy laws, either now or in the future. You understand that you may, from time to time, exercise any of the following rights: (1) access the Data to check and review it; (2) have a copy of the Data; (3) supplement or correct the Data; (4) demand that the Company or the Employer cease the collection, processing, or use of the Data; and (5) demand that the Company or the Employer delete the Data. You also understand that you may not be able to participate in the Plan if you fail to execute any such consent or agreement or you exercise any of the rights listed in (4) or (5) above.

Securities Law Information. The Restricted Stock Units and the shares of Common Stock underlying the Restricted Stock Units are available only for employees, consultants or directors of the Company and its Affiliates. It is not a public offer of securities by a Taiwanese company.

You understand that the shares to be acquired under the Plan have not been and will not be registered with the Financial Supervisory Commission of R.O.C. (Taiwan) pursuant to relevant securities laws and regulations. These shares may not be offered or sold within Taiwan (R.O.C.) through a public offering or in circumstance which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan (R.O.C.) that requires a registration or approval of the Financial Supervisory Commission of R.O.C. (Taiwan) or is prohibited under the applicable laws of Taiwan (R.O.C.).

Exchange Control Information. You understand that if you are a Taiwanese resident, and the amount is TWD\$500,000 or more (or its equivalent in a foreign currency) in a single foreign exchange transaction, you may need to submit a foreign exchange transaction declaration stating, among others, the purpose/nature of the remittance. The declaration should be submitted via a local remitting bank to the Central Bank of the Republic of China (Taiwan) (“**CBC**”) for records. If any transaction is in the amount of US\$500,000 or more, you must additionally provide supporting documentation to the CBC to prove the purpose/nature of the transaction. As a Taiwanese resident, you may make up to US\$5 million or its

equivalent in inward remittances and the same amount in outward remittances of foreign currency within a calendar year without the further approval of the CBC.

Language Consent. The parties acknowledge that it is their express wish that the Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

雙方當事人承認本協議及其他依據本協議或直接或間接與本協議有關而訂立、發出或提起之所有文件、通知及法律程序均以英文作成。

Ukraine

Wet signatures and electronic documents exchange. You hereby acknowledge that your acceptance of the Grant Notice shall be certified by wet signature, unless you have a separate agreement with the Company on use of electronic signatures effective prior to your acceptance of the Grant Notice. By accepting, you consent to receive and send all further documents related to, and relevant for, your participation in the Plan by electronic delivery, through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. You hereby acknowledge and consent that any authorization, approval, acknowledgement, agreement or consent affected electronically, including by any kind of electronic signature or other means of authentication, shall be valid and acceptable for the purposes of your participation in the Plan.

Settlement of Awards and Sale of Common Stock. By notice to you, the Company may sell any shares of Common Stock acquired pursuant to the RSUs, either immediately after issuance or within a specified period thereafter, but in any event prior to delivery of the shares to you. For avoidance of doubt, you hereby acknowledge that in case of such sale you will not receive title to the shares and will only be entitled to receive the proceeds from the sale of the shares. You agree that the Company is authorized to instruct its designated broker to assist with the sale of such shares (on your behalf pursuant to this authorization), and you expressly authorize the designated broker to complete the sale of such shares. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or the designated broker) to effectuate the sale of the shares and shall otherwise cooperate with the Company with respect to such matters. You acknowledge that the designated broker is under no obligation to arrange for the sale of the shares at any particular price. Due to fluctuations in the share price and/or applicable exchange rates between the date the shares are issued and (if later) the date on which the shares are sold, the amount of proceeds ultimately distributed to you may be more or less than the Market Value of the shares on the Vesting Date or the date the shares are issued.

Upon the sale of the shares, the Company agrees to pay, directly or through its affiliates, the cash proceeds from the sale (less any applicable Withholding Taxes, brokerage fees or commissions) to you in accordance with applicable exchange control laws and regulations. You hereby acknowledge and agree that the cash proceeds from the sale of the shares may, but not necessarily should, be paid to you by your employer in the form of designated cash payment, as may be defined and prescribed by your employer's policies.

Securities Law and Other Compliance. The Award and the shares of Common Stock to be granted and/or issued under the Plan have not been and will not be registered in Ukraine and are not intended for 'placement' or 'circulation' in Ukraine. You are solely liable for obtaining all permits, authorizations, licenses and/or approvals from, and/or make any and all notifications to, any governmental authorities or financial institutions in Ukraine, as may be required by any applicable laws of Ukraine, including without

limitation relevant exchange control laws and regulations, to enable you to legitimately participate in the Plan and/or receive the Award.

Tax. By accepting the Award and accepting the terms of the Award Agreement, you acknowledge and agree to comply with all applicable Ukrainian laws and report any income and pay any and all applicable taxes and other mandatory contributions, as required by Ukrainian laws, associated with the Award, the sale of shares of Common Stock acquired under the Plan, and the receipt of any dividends paid on such shares of Common Stock. You hereby understand and acknowledge that the Company does not have and will not have any obligation to withhold or report any taxes due in Ukraine in connection with your participation in the Plan.

No Award for the Entrepreneurial Activity Statement for Employees. If you work for the Company or its Affiliates under an employment agreement, by accepting the Award and accepting the terms of the Award Agreement you acknowledge and agree that the Award is provided to you not in connection with your entrepreneurial activity (if any conducted by you) but in connection with your Continuous Service as an employee of the Company or its Affiliate.

Language. You confirm having read and understood the documents relating to the Plan, including the Award Agreement with all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly and do not need their translation into Ukrainian.

Ви підтверджуєте, що Ви прочитали та зрозуміли документи, які відносяться до Плану (2017 Equity Incentive Plan), включаючи Договір про Винагороду (the Restricted Stock Unit Agreement) разом з усіма положеннями та умовами, які були надані англійською мовою. Ви приймаєте умови цих документів і не потребуєте їх перекладу українською мовою.

Change of Residency. You hereby acknowledge that the terms of this Award Agreement are fully applicable subject to your continued place of residence in Ukraine. If, following your acceptance of the award, you change your place of residence and/or residence status, you are solely responsible for notifying the Company of this and you shall cooperate fully with the Company to update any necessary documentation related to the Award Agreement. This includes, but is not limited to, providing any required information or completing any forms as requested by the Company.

Privacy. The paragraph (a) of Section 24 (Data Transfer) of the Award is deleted and replaced with the following:

“24. Data Transfer.

(a) By participating in the Plan, you acknowledge and consent that your personal data will be collected, used and transferred, in electronic or other form, of your personal data as described in this document by and among, as applicable, your employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand and consent that the Company, its Affiliates and your employer hold certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“Data”). You understand that the

provision of your personal data is a requirement necessary to enter into and perform the RSU Grant Notice, the Award Agreement and the Appendix. You understand and consent that the Data may be transferred to any third parties, acting as data processors, assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, in particular in the United States, and that the recipient country may have different data privacy laws providing less protections of your personal data (not ensuring adequate level of protection of personal data) than your country. Where Data is to be transferred to a country which does not ensure the adequate level of legal protection of personal data, you understand and explicitly consent that the Data transfer is necessary to conclude or execute a transaction between the data controller and the personal data subject (or a third party where the transaction is in favour of the personal data subject). You may request a list with the names and addresses of any potential recipients of the Data by contacting equityquestions@snap.com or the stock plan administrator at the Company (the “**Stock Plan Administrator**”). The Data may be transferred to a broker or other third party with whom you may elect to deposit any shares of Common Stock acquired upon the vesting of the Award. You understand and agree that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You may, at any time, view the Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. The Data may be transferred to a broker or other third party with whom you would like to elect to deposit any shares of Common Stock acquired upon the vesting of the Award. Subject to the limitations set forth in applicable data protection laws, you may also have the right to erasure, data portability, restriction of the processing and objection. Furthermore, if you think your data protection rights have been breached, you may lodge a complaint with your national data protection authority (the Authorised Human Rights Representative of the Verkhovna Rada of Ukraine). For more information on the processing of the Data, you may contact the Stock Plan Administrator.”

United Arab Emirates

Award not a Service Contract.

The first sentence of section 10(a) of this Award Agreement shall be amended as follows:

In accordance with the UAE Federal Decree Law No. 33 of 2021 (as may be amended), your Continuous Service with the Company or an Affiliate shall be for a specified term as expressly confirmed in your employment or engagement agreement and will automatically expire at the end of the term unless either renewed for a subsequent specified term or terminated prior to its expiry by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice (subject to applicable law and the terms of your employment or engagement agreement, if any).

Nature of Grant. You acknowledge that the Award, this Award Agreement and your participation in the Plan does not create any claims against the Company and/or its Affiliates (or employer of record) employing you, either directly or indirectly. You acknowledge that the Award and related benefits do not constitute a component of your “wages” for any legal purpose. Therefore, the Award and related benefits will not be included and/or considered for purposes of calculating any and all labor benefits, such as end of service gratuity and/or any other labor-related amounts which may be payable.

Data Protection. You consent to the Company and its Affiliates (and any employer on record):

- (a) processing your personal data for purposes related to the administration of the Award Agreement and/or the Plan, in accordance with UAE Federal Decree Law No. 45 of 2021 as amended and/or any other relevant laws as may be in effect from time to time; and
- (b) forwarding your personal data to other Affiliates for storage or processing (including through data transfers out of the UAE) and disclosing your personal data (including sensitive personal data) to third parties where such disclosure is necessary for administrative, personnel, management, legal, and/or regulatory employment-related purposes.

Securities Law Information. Participation in the Plan is being offered only to Employees, Consultants and Directors of the Company and its Affiliates, and is in the nature of providing equity incentives to those providing services in the United Arab Emirates. The Plan and the Award Agreement are intended for distribution only to such participants and must not be delivered to, or relied on by, any other person. You should conduct your own due diligence on the securities. If you do not understand the contents of the Plan or the Award Agreement, you understand that you should consult an authorized financial adviser.

This Award Agreement and the Plan have not been approved or licensed by the UAE Securities and Commodities Authority or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This Award Agreement is strictly private and confidential and the terms of the Award Agreement and the Plan have not been reviewed by, deposited or registered with the UAE Securities and Commodities Authority or any other licensing authority or governmental agencies in the United Arab Emirates. This offer is being issued from outside the United Arab Emirates to a limited number of employees of an Affiliate of the Company and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this Award Agreement and the Plan is not intended to lead to the issue of any securities or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.

Choice of Law and Jurisdiction: The parties to this Award Agreement and the Plan hereby agree that any disputes arising under or in connection with this Award Agreement and the Plan shall be referred to arbitration at and in accordance with the Employment Arbitration Rules of the Judicial Arbitration and Mediation Services. The seat, or legal place, of arbitration shall be Los Angeles, California, United States of America. The number of arbitrators shall be one. The language to be used in the arbitration is English.

United Kingdom

No Cash Settlement. Notwithstanding any provision of the Plan or the Award Agreement, your Award may not be settled in cash.

Award Not a Service Contract. The following supplements Section 10 of the Award Agreement:

- (c) You waive all rights to compensation or damages in consequence of the termination of your office or employment with the Company or any Affiliate for any reason whatsoever (whether lawful or unlawful and including, without prejudice to the foregoing, in circumstances giving rise to a claim for wrongful dismissal) in so far as those rights arise or may arise from you ceasing to hold or being able to vest your Award, or from the loss or diminution in value of any rights or entitlements in connection with the Plan.

Tax Withholding Obligations. The following supplements Section 11 of the Award Agreement:

(d) As a condition of the vesting of your Award, you therefore unconditionally and irrevocably agree:

(i) to place the Company in funds and indemnify the Company in respect of (1) all liability to UK income tax which the Company is liable to account for on your behalf directly to HM Revenue & Customs; (2) all liability to national insurance contributions which the Company is liable to account for on your behalf to HM Revenue & Customs (including secondary class 1 (employer's) national insurance contributions for which you are liable); and (3) all liability to national insurance contributions for which the Company is liable which arises as a consequence of or in connection with your Award (the "**UK Tax Liability**"); or

(ii) to permit the Company to sell at the best price which it can reasonably obtain such number of shares of Common Stock allocated or allotted to you following vesting as will provide the Company with an amount equal to the UK Tax Liability; and to permit the Company to withhold an amount not exceeding the UK Tax Liability from any payment made to you (including, but not limited to salary); and

(iii) if so required by the Company, and, to the extent permitted by law, to enter into a joint election or other arrangements under which the liability for all or part of such employer's national insurance contributions liability is transferred to you; and

(iv) if so required by the Company, to enter into a joint election within Section 431 of (UK) Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**") in respect of computing any tax charge on the acquisition of "restricted securities" (as defined in Section 423 and 424 of ITEPA); and

(v) to sign, promptly, all documents required by the Company to effect the terms of this provision, and references in this provision to "the Company" shall, if applicable, be construed as also referring to any Affiliate.

Acknowledgment of Forfeiture and Clawback Provisions. By accepting the Award, you acknowledge being subject to the provisions of any forfeiture and claw-back policy implemented by the Company, including, without limitation, any clawback policy adopted to comply with the requirements of applicable law.

Attachment I**Danish Employer Statement****ARBEJDSGIVERERKLÆRING/EMPLOYER STATEMENT**

I henhold til § 3, stk. 1, i lov om brug af køberet eller tegningsret m.v. i ansættelsesforhold, som ændret med virkning fra 1. januar 2019 ("Aktieoptionsloven") er du berettiget til at modtage følgende oplysninger om Snap, Inc.'s ("Selskabet") optionstildeling af Betingede Aktier ("Optionstildeling") i en særskilt skriftlig erklæring. Optionstildelingen sker som følge af din ansættelse i Snap Denmark APS.

Denne erklæring indeholder kun de oplysninger, der er nævnt i loven, medens de øvrige betingelser for Optionstildelingen er detaljeret beskrevet i tildelingsdokument og tildelingsaftalen vedrørende Betingede Aktier (sammen "Tildelingsaftalen") samt i Selskabets 2017 Equity Incentive Plan. I det omfang der måtte være uoverensstemmelser mellem indholdet af denne erklæring og ovennævnte Tildelingsaftale og aktieoptionsplan, finder Tildelingsaftalen og aktieoptionsplanen anvendelse.

1. Tidspunktet for tildeling af retten til at købe aktier

Tildelingstidspunktet for de Betingede Aktier er den af Bestyrelsen godkendte dato for tildeling.

1. Kriterier eller betingelser for tildeling af retten til senere at købe aktier

Optionstildelingen er sket efter Selskabets Bestyrelses frie skøn.

1. Udnyttelsesperiode

Begrænsningerne på dine Betingede Aktier vil bortfalde og de Betingede Aktier modnes over 3 år i 36 lige store månedlige rater i henhold til modningsplanen i Tildelingsaftalen.

Pursuant to section 3(1) of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships, as amended effective January 1, 2019 (the "Stock Option Act"), you are entitled to receive the following information regarding Snap, Inc.'s (the "Company") grant of Restricted Stock Units (the "RSU Grant") in a separate written statement. The RSU Grant is given due to your employment at Snap Denmark APS.

This statement contains the information mentioned in the Stock Option Act only, while the other conditions of the RSU Grant are described in detail in the Restricted Stock Unit Grant Notice and the Award Agreement (together the "Award Agreement") and in the Company's 2017 Equity Incentive Plan. In the event that there is any discrepancy between the substance put forward in this statement and the abovementioned Award Agreement and Equity Incentive Plan, the abovementioned Award Agreement and the Equity Incentive Plan shall apply.

Time of grant of the right to purchase shares

The grant date of your Restricted Stock Units is the date the Board approved for issuing grants.

Terms or conditions for the grant of rights to future purchase of shares

The RSU Grant has been given at the Company's Board's discretion.

Exercise period

The restrictions on your Restricted Stock Units will lapse and the Restricted Stock Units will vest over 3 years in 36 equal monthly instalments in accordance with the vesting schedule included in your Award Agreement.

1. Udnyttelsespris

Der betales ingen Udnyttelseskurs ved modning af de Betingede Aktier og ved Selskabets udstedelse af aktier til dig i overensstemmelse med den ovenfor beskrevne modningsplan.

1. Din retsstilling i forbindelse med fratræden

Ved din fratræden vil dine Betingede Aktier blive behandlet som beskrevet i Tildelingsaftalen. Betingede Aktier vil bortfalde med omgående virkning i forbindelse med fratræden, medmindre andet er fastsat i henhold til Bestyrelsens fulde diskretionære beslutning.

1. De økonomiske aspekter af deltagelse i Tildelingen af betingede Aktier

Tildeling af de Betingede Aktier har ingen umiddelbare økonomiske konsekvenser for dig. Værdien af optionen indgår ikke i beregningen af feriepenge, pensionsbidrag eller øvrige vederlagsafhængige ydelser.

Aktier er et finansielt instrument, og investering i aktier vil altid være forbundet med en risiko. Således afhænger gevinstmuligheden på udnyttelsestidspunktet udover Selskabets økonomiske forhold bl.a. af den generelle udvikling på aktiemarkedet.

Exercise price

No exercise price is payable upon the vesting of your Restricted Stock Units and the issuance of Company shares to you in accordance with the vesting schedule described above.

Your rights upon termination of employment

The terms which regulate the treatment of your Restricted Stock Units upon termination of employment are set out in the Plan. Upon your termination of employment for any reason, any Restricted Stock Units shall terminate and be forfeited immediately, unless otherwise decided in the full discretion of the Board.

Financial aspects of participating in the Restricted Stock Units Grant

The grant of the Restricted Stock Units has no immediate financial consequences for you. The value of the Restricted Stock Units will not be included in the calculation of holiday allowance, pension contribution or other statutory remuneration calculated on the basis of the salary.

Shares are financial instruments, and investing in shares will always be connected with a risk. Thus, the possibility of profit at the time of exercise will be dependent not only on the Company's financial development but also e.g. on the general development of the share market.

Sted/place: [*]

Dato/date: [*]

På vegne af Selskabet/On behalf of the Company

Exhibit 31.1

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Evan Spiegel, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Snap Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2025

/s/ Evan Spiegel

Evan Spiegel
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Derek Andersen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Snap Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2025

/s/ Derek Andersen

Derek Andersen
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Snap Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: April 29, 2025

/s/ Evan Spiegel

Evan Spiegel
Chief Executive Officer
(Principal Executive Officer)

Date: April 29, 2025

/s/ Derek Andersen

Derek Andersen
Chief Financial Officer
(Principal Financial Officer)